

THE MADRAS LEGISLATIVE COUNCIL

Saturday, the 10th September 1960.

The House met in the Council Chamber, Fort St. George, at three of the clock, Mr. Chairman (THE HON. DR. P. V. CHERIAN) in the Chair.

I.—QUESTIONS AND ANSWERS.

STARRED QUESTIONS.

Drowning incident

* 132 *Q.*—VIDWAN T. MUTHUKANNAPPAN : Will the Hon. the Minister for Home be pleased to state—

(*a*) whether any case of drowning in the Air Raid Precaution tank in the Government Estate, Mount Road, Madras, opposite the New Legislators' Hostel, has been brought to the notice of the Government;

(*b*) if so, the circumstances under which it happened; and

(*c*) the steps taken or proposed to be taken to prevent such occurrences?

THE HON. SRI M. BHAKTAVATSALAM : (*a*) Two boys were drowned in the tank on 13th February 1960. The occurrence was reported at the Triplicane Police Station.

(*b*) The boys had strayed into the tank through a hole in the side wall. As there was nearly eight feet of water inside they began to struggle and were found dead when picked up by two Fire Service men who had rushed to the spot for rescue work.

(*c*) Three out of the four holes in the tank have been closed with brick and mortar. The fourth is to be provided with a new shutter as the old one is broken.

VIDWAN T. MUTHUKANNAPPAN: இத்தகைய ஏ. ஆர். பி. குளங்கள் இப்போது தேவையில்லை. இவை விபத்துக்களுக்குக் காரணமாக இருக்கின்றன. கொசுத் தொல்லைக்கும் காரணமாக இருக்கின்றன. எனவே இவைகளை எடுத்துவிடுவது—மூடி விடுவது—நல்லது என்று அரசாங்கம் கருதவில்லையா ?

THE HON. SRI M. BHAKTAVATSALAM: இவை சில சமயங்களில் " பையர் ஸெர்வீஸ் " இலாகாவினருக்கு உபயோகப் படுகின்றன. ஆகையால் இவை எல்லாவற்றையும் எடுத்து விடுவதாக இல்லை. இவைகளால் ஆபத்துக்கள் ஏற்படாதபடி பாதுகாப்பு நடவடிக்கை எடுத்துக் கொள்ளவேண்டியது அவசியம்தான். அதில் கவனம் செலுத்தப்படும்.

VIDWAN T. MUTHUKANNAPPAN: மற்ற இடங்களிலும் உள்ள இத்தகைய ஏ.ஆர்.பி. குளங்களில், துவாரங்கள் இருந்தால் ஆபத்துக்கள் ஏற்படாதபடி செய்வதற்காக அவைகளேயும் அடைத்துவிடுவது நல்லது அல்லவா ?

THE HON. SRI M. BHAKTAVATSALAM: குறிப்பிட்ட "ஏர் ரெய்ட் ப்ரிகாஷன் டாங்க்"-இல் P.W.D. என்ன என்ன செய்ய வேண்டுமோ அதையெல்லாம் செய்ய ஏற்பாடு செய்யப்பட்டிருக்கிறது. நான்காவது துவாரத்தில் "ஷட்டர்" உடைந்து போயிருக்கிறது. அதுவும் "ரீபிலேஸ்" செய்யப்படும்.

SRI MOHAMED RAZA KHAN: For what purpose are these A.R.P. tanks kept intact even 14 years after the war was over?

THE HON. SRI M. BHAKTAVATSALAM: I have just answered that question in Tamil. The hon. Member might not have followed me. These tanks might be useful for the fire services.

Kisan Charkhas and Ambar Charkhas

* 133 *Q.*—SRI A. GAJAPATHY NAYAGAR: Will the Hon. the Minister for Home be pleased to state—

(*a*) the number of Kisan Charkhas and Ambar Charkhas in use in the Madras State; and

(*b*) the quantity of khadi produced by them respectively during the year 1959–60?

THE HON. SRI M. BHAKTAVATSALAM: (*a*) Kisan Charkhas in use as on 31st March 1960—250,270.

Ambar charkhas in use as on 31st March 1960—17,530.

(*b*) Traditional khadi produced—3,646,977 yards.

Ambar khadi produced—572,835 yards.

Indian-made drugs

* 134 *Q.*—DR. A. SREENIVASAN: Will the Hon. the Minister for Revenue be pleased to state—

(*a*) the Indian-made drugs tested by the Drugs Inspectors during 1959–60; and

(*b*) the results thereof?

THE HON. SRI M. A. MANICKAVELU: (*a*) Testing of drugs is not done by Drugs Inspectors. It is done by the Government Analyst Department at the King Institute, Guindy.

(*b*) (i) Total number of samples sent to Government Analyst by the Drugs Inspectors during the period 1st April 1959 to 31st March 1960 ... 210

(ii) Total number of drugs analysed during that period 97

(iii) Number of samples declared to be of standard quality 76

(iv) Number of samples declared to be of non-standard quality 21

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DR. A. SREENIVASAN : What happened to the drugs that were found to be below standard? Were the manufacturers warned about it?

THE HON. SRI M. A. MANICKAVELU : Yes, Sir. Manufacturers were asked to withdraw the drugs from the market and in some cases prosecution also was launched.

DR. A. SREENIVASAN : How are the samples collected? Is it random sampling or the manufacturers themselves send samples for testing?

THE HON. SRI M. A. MANICKAVELU : It is, I think, random sampling.

Research Department of the College of Integrated Medicine

* 135 *Q.*—DR. A. SREENIVASAN : Will the Hon. the Minister for Revenue be pleased to state—

(*a*) the number of reports received by the Government from the Research Department of the College of Integrated Medicine; and

(*b*) whether the reports are examined by the Government, and if so, the result thereof?

THE HON. SRI M. A. MANICKAVELU : (*a*) Quarterly reports on the progress of research work carried out in the College of Integrated Medicine are being received.

(*b*) The reports are forwarded to the Government of India and their suggestions and comments on the working of the Research Scheme are given due consideration.

DR. A. SREENIVASAN : Is it not necessary that the Members of the Legislature in the State of Madras should also be kept informed about the reports so that we may know what type of research is being conducted by these people?

THE HON. SRI M. A. MANICKAVELU : It did not strike me as such. What is being done now is, research is carried on and the report on the research is sent through the Dean to the Director of Medical Services. We then pass it on to the Government of India. This seems to be the entire responsibility of the Government of India because it is at their instance and help research is carried on here.

DR. A. SREENIVASAN : The Madras Government do not pay any money towards the cost of research? I am told that the Government bear half the cost.

THE HON. SRI M. A. MANICKAVELU : I am not sure of that position.

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SRI MOHAMED RAZA KHAN : Have the Government appointed only one doctor or two saying 'you carry on the research'? What is the manner and method in which the research is conducted? Is it supervised by any competent authority?

THE HON. SRI M. A. MANICKAVELU : The staff is there. The staff belongs to the State but the Government of India pay a certain amount. I think it is Rs. 2,000 or so per patient. A particular drug is administered on patients suffering from a particular disease and the results are watched. Then a report is drawn up and sent. I think it ultimately goes to Jamnagar or so.

DR. A. SREENIVASAN : Is it a fact that practitioners of Indigenous Medicine are under the impression that no research can be done with their drugs because they are too complex to be understood by ordinary people?

THE HON. SRI M. A. MANICKAVELU : Different people may think differently of various things. But our point is this. It should be and it is scientifically tested, because a good deal is claimed for the indigenous medicines. If we believe all that they claim I do not know where we will be. That is why, we test them by administering them on the patients.

Conversion of sea-water into fresh water

* 136 Q.—SRI M. ETHIRAJALU : Will the Hon. the Minister for Revenue be pleased to state—

(a) whether there is any proposal to convert sea-water into fresh water by atomic power to augment the drinking water supply to the City of Madras; and

(b) if so, the stage at which the matter now stands?

THE HON. SRI M. A. MANICKAVELU : (a) No, Sir.

(b) Does not arise.

Internal Audit Organization

* 137 Q.—DR. A. SREENIVASAN : Will the Hon. the Minister for Revenue be pleased to state—

(a) whether the Internal Audit Organisation mentioned in the 15th paragraph of the report of the activities of the Medical and Public Health Departments for the half-year ended 30th June 1959 has presented any report; and

(b) if so, to place a copy of it on the table of the House?

THE HON. SRI M. A. MANICKAVELU : (a) The Internal Audit Organisation is intended to carry out a cent per cent audit of the transactions of the Government medical institutions and is not expected to submit reports to Government.

(b) Does not arise.

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DR. A. SREENIVASAN : If there is anything incriminating the administration mentioned in the Audit Report, how is action taken? What will happen then? To whom can they report, if not to Government?

THE HON. SRI M. A. MANICKAVELU : What I meant to say was that reports were not sent to Government. If any defects or irregularities are found, they are made known to the head of the institution. Copies of the report are sent to the Accountant-General also. The Accountant-General brings them to the notice of the Government not immediately, but when he examines the accounts of all institutions.

DR. A. SREENIVASAN : Has any such instance come to the notice of the Government?

THE HON. SRI M. A. MANICKAVELU : The Accountant-General brought some irregularities to the notice of the Government. Only thereupon we have appointed these internal auditors.

Testing of samples

* 138 Q.—DR. A. SREENIVASAN : Will the Hon. the Minister for Revenue be pleased to state the amount of fee charged by the King Institute, Guindy, for testing samples sent by Andhra Pradesh for the half year ended 30th June 1959?

THE HON. SRI M. A. MANICKAVELU : Rs. 41,679.

DR. A. SREENIVASAN : Are they still sending samples for test at the Guindy Institute?

THE HON. SRI M. A. MANICKAVELU : Yes, Sir. They are charged for as in the case of private people. Originally they were not charged when Madras was a composite State. They were not charged for some time after separation also. But after a particular date—I think it was from 1959—we came to an understanding that they must also pay.

Roads connecting Kuppams with main roads

3-10 p.m.

* 139 Q.—VIDWAN T. MUTHUKANNAPPAN : Will the Hon. the Minister for Works be pleased to state—

(a) whether any representations have been received for (i) laying of roads connecting Kuppams (Fishermen Colonies) with the Kovalam-Mahabalipuram Road and Tiruvanmiyur-Muthukadu Road in Chingleput district and (ii) constructing foot-bridges across the Buckingham Canal; and

(b) if so, the action taken or proposed to be taken thereon?

THE HON. SRI P. KAKKAN : (a) & (b) A representation on the subject has been received from the Member. Formation of feeder roads to fishing villages under reference will be considered under the Third Five-Year Plan. The Government have sanctioned the

construction of wooden bridges across the Buckingham Canal at Nemili and Kadapakam Kuppam in Chingleput district. The estimates for the bridges are awaited from the Chief Engineer (Highways). There is also a proposal to construct a light bridge across Buckingham Canal on Madras-Mahabalipuram road near Sholinganallore which is very near to Panaiyar Kuppam, Chingleput district. There is also another proposal for the construction of similar wooden bridges at Pattipulam and four other places and the matter is under consideration.

VIDWAN T. MUTHUKANNAPPAN: பாதை போடுவதற்கும் பாலம் அமைப்பதற்கும் மொத்தமாக எவ்வளவு பணம் ஒதுக்கப் பட்டிருக்கிறது ?

THE HON. SRI P. KAKKAN : The Chief Engineer has stated that the formation of roads will be considered for execution during the Third Five-Year Plan period at a cost of one lakh of rupees.

DR. A. SREENIVASAN : Is it modern to use wood for bridges? Will they be fit for regular traffic?

THE HON. SRI P. KAKKAN : Only for light traffic.

VIDWAN T. MUTHUKANNAPPAN: இதை பொது மராமத்து இலாகா செய்யப் போகிறதா, அல்லது இதை மீன் இலாகா மூலம் செய்ய ஏற்பாடாகி யிருக்கிறதா ?

THE HON. SRI P. KAKKAN: இது மராமத்து இலாகா மூலம்தான் செய்யப்படும் என்று நான் கருதுகிறேன்.

“ Tamilagam ”

* 140 Q.—DR. A. SREENIVASAN : Will the Hon. the Minister for Works be pleased to state—

(*a*) the price paid for the purchase of “ Tamilagam ” in Ootacamund by the Government;

(*b*) the amount spent so far on improvements and alterations;

(*c*) the annual maintenance charges; and

(*d*) the amount of rent realized by the Government during 1959–60?

THE HON. SRI P. KAKKAN : (*a*) The sale deed has not yet been executed and it is being finalized.

(*b*) A sum of Rs. 1,45,915 has been spent up to 15th July 1960 on improvements and alterations.

(*c*) The annual maintenance charges incurred during 1959–60 was Rs. 20,986 (inclusive of taxes, electric and water charges).

(*d*) A sum of Rs. 792 was realised as rent by Government during 1959–60.

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DR. A. SREENIVASAN: இந்தக் கட்டிடத்தை கவர்ன் மெண்டார் என்ன காரணத்திற்காக வாங்கினர்கள்? இதை வாங்கியதில் சர்க்காருக்கு ஏதாவது "மோடிவ்ஸ்" உண்டா அல்லது இதை வீடு வாங்குவது போன்று சர்க்கார் வாங்கினர்களா?

THE HON. SRI P. KAKKAN: அந்த ஊரில் ஒருவேளை சட்ட சபைக் கூட்டத்தை நடத்துவதாக இருந்தால் அங்கே அக்கூட்டத்தை நடத்தலாம் என்ற எண்ணத்துடன்தான் இந்தக் கட்டிடம் சர்க்காரால் வாங்கப்பட்டது.

DR. A. SREENIVASAN: இந்தக் கட்டிடத்திற்காக 20,000 சொச்சம் ரூபாய் "மெய்ண்டினென்ஸ் சார்ஜ்"-க்காகச் செல விடப்பட்டிருக்கிறது. மராமத்துக்காக வேறு செலவு செய்யப் பட்டிருக்கிறது. இது "பிஸினெஸ் ப்ராபோஸிஷஞ"?

THE HON. SRI P. KAKKAN: அஸெம்பிளிக் கூட்டம் அங்கே நடக்கும் போது அதற்கு அக்கட்டிடம் பயன்படும். மற்ற சமயங்களில் அக்கட்டிடத்தை லாபம் இல்லாத முறையில் வைத்திருப்பதைக் காட்டிலும், லாபத்தோடு வைத்திருப்பது நல்லது அல்லவா?

DR. A. SREENIVASAN: "ஸேல் டீட்" முடியும்போது அந்த விஷயத்தைக் கைவிட்டுவிட்டால் என்ன? அஸெம்பிளி அங்கே போகப் போவதில்லை. அப்படி இருக்கும் போது, "ஸேல் டீட்" எதற்காக? "காம்பென்ஸேஸன்"-ஐக் கொடுத்துவிட்டு இதைக் கைவிட்டுவிடுவது நல்லது என்று நான் நினைக்கிறேன். கனம் அமைச்சரின் அபிப்பிராயம் என்னவோ?

THE HON. SRI P. KAKKAN: இந்தக் கட்டிடத்தை அரசாங்கம் வைத்துக் கொள்வது நல்லது என்று அரசாங்கம் நினைக்கிறது.

SRI K. T. KOSALRAM: ஐந்து லட்ச ரூபாய்க்கு அரசாங்கம் வாங்கியுள்ள இந்தக் கட்டிடத்தை மற்றவர்கள் வியாபார நோக்கத்தோடு பார்க்கும் போது இது 10 லட்ச ரூபாய்க்கு மேல் பெறுமதிப்பு உள்ளதாக இருப்பது அரசாங்கத்திற்குத் தெரியுமா?

THE HON. SRI P. KAKKAN: கனம் அங்கத்தினர் எண்ணியது கரெக்டாக, சரியாக, இருக்கும் என்று நினைக்கிறேன். (சிரிப்பு).

Anti-toxins

* 141 *Q.*—DR. A. SREENIVASAN: Will the Hon. the Minister for Revenue be pleased to state—

(*a*) the kinds of antitoxins prepared in the King Institute, Guindy;

(*b*) the result of the final antigenicity test carried out on human tetanus toxoid manufactured by the King Institute, Guindy; and

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(c) the other independent laboratories in which this was tested and the results thereof?

THE HON. SRI M. A. MANICKAVELU : (a) Tetanus antitoxin and Cl. Welchu (perfringens) antitoxin.

(b) The toxoid passed the prescribed tests and proved to be antigenic.

(c) The first batch of the product manufactured at the King Institute, Guindy, was also tested at the Haffkins Institute, Bombay. The product was found to have passed both the toxicity and antigenicity tests.

DR. A. SREENIVASAN : Is it a fact that the product prepared at the King Institute is not favourably looked upon by the medical practitioners in our State? They still go in for foreign products.

THE HON. SRI M. A. MANICKAVELU : That is probably due to the individual fashion-mindedness of the particular doctor. (Laughter.)

Anti-scorpion serum

* 142 Q.—DR. A. SREENIVASAN : Will the Hon. the Minister for Revenue be pleased to state whether the efficacy of the anti-scorpion serum produced in the King Institute, Guindy, has been tested and, if so, the results thereof?

THE HON. SRI M. A. MANICKAVELU : Anti-scorpion serum is not produced in the King Institute, Guindy. The question of testing its efficacy in the Institute does not, therefore, arise.

DR. A. SREENIVASAN : Is it not a fact that the preparation of this serum found a prominent place in the paper that was placed on the table of the House? It is only on that basis that I put this question.

THE HON. SRI M. A. MANICKAVELU : True. But it is now being got from England, the Institute of Preventive Medicine in London. Even from there it is not now available.

DR. A. SREENIVASAN : May I request the Hon. Minister to look up the report . . . ?

MR. CHAIRMAN : Supplementary questions should be put in the form of questions. I am giving this for the information of the whole House. Asking for action is not a supplementary question. The hon. Member should put it in the form of a question.

DR. A. SREENIVASAN : Has the Hon. Minister perused the annual report submitted by the Director of Medical Services?

THE HON. SRI M. A. MANICKAVELU : The Hon. Minister has not perused it, Sir. (Laughter.)

MR. CHAIRMAN : Next question.

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DR. A. SREENIVASAN : Is it not the duty of the Hon. Minister to peruse the report?

MR. CHAIRMAN : We have passed on to the next question.

Control of malaria

* 143 *Q.*—DR. A. SREENIVASAN : Will the Hon. the Minister for Revenue be pleased to state—

(*a*) whether spraying operation has been carried on in the control of malaria in the State; and

(*b*) if so, in what places and the result thereof?

THE HON. SRI M. A. MANICKAVELU : (*a*) Yes, Sir.

(*b*) The entire State has been covered by D.D.T. spraying since 1959–60. The progress of malaria control has been satisfactory and there has been a decline in malaria cases.

DR. A. SREENIVASAN : How did the Government come to the conclusion that it is on the decline?

THE HON. SRI M. A. MANICKAVELU : The percentage of malaria cases in 1957–58 was 7.7, in 1958–59 it was 2.4 and in 1959–60 it was 0.77. I think that is sufficient indication that the thing is coming down.

SRI S. NATARAJAN : Has there been an increase in filaria cases during this period?

THE HON. SRI M. A. MANICKAVELU : No. We cannot say so. Probably the hon. Member has in mind what happened in Kumbakonam. It was a rare feature, and it was controlled. We cannot say generally that because we control malaria there is filaria.

DR. A. SREENIVASAN : Does the Hon. Minister place much reliance on the statistics since most of the patients go to private practitioners and get themselves cured with anti-malarial synthetics? I think the statistics cannot be correct.

THE HON. SRI M. A. MANICKAVELU : Even allowing a latitude for that, I think we have made sufficient progress.

2-C tax (tree tax)

* 144 *Q.*—DR. A. SREENIVASAN : Will the Hon. the Minister for Revenue be pleased to state whether it is a fact that the Government have enhanced the 2-C tax (Tree tax) and, if so, the reasons for such enhancement?

THE HON. SRI M. A. MANICKAVELU : Yes, Sir.

The rates of tree tax have been enhanced in view of the prevailing high rates of the usufructs of the trees like tamarind, mango, jack, etc., the original rates fixed years back having no relation to current prices.

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Dr. A. SREENIVASAN : Does the Hon. Minister think that the people, who have been looking after the trees, will look after them carefully in future in view of the enhanced taxation? Will they not put them to improper use like cutting the trees down and so on?

The Hon. Sri M. A. MANICKAVELU : The point why the tax was raised is because the tax was fixed long, long ago. Considering the present rise in the level of prices, we have slightly increased the tax.

Dr. A. SREENIVASAN : Who are looking after the trees?

The Hon. Sri M. A. MANICKAVELU : Avenue trees? The people in the Highways Department are looking after them.

Dr. A. SREENIVASAN : Is it a fact that the tenants who live nearby take care of the trees and that they have been making use of the trees paying only a nominal tax to the Government? In view of the enhancement of the tax will they not misuse the trees?

The Hon. Sri M. A. MANICKAVELU : No; if any private person was enjoying the usufructs; it was on account of the tree patta granted to him. When the tree patta is given, he is allowed to enjoy the usufructs. The rate has now been increased. As regards misuse, it all depends upon the character of the people. Misuse is not only in respect of these trees. There is misuse in respect of many things. It is a reflection of the character of the people.

Welfare of Backward Classes

* 145 *Q.*—Sri M. ETHIRAJALU : Will the Hon. the Minister for Works be pleased to state—

(*a*) whether the Madras Government were represented in the Conference of State Ministers in charge of Welfare of Backward Classes held in January and February 1960 at New Delhi;

(*b*) if so, the recommendations made by this Government for the Welfare of Backward Classes of this State; and

(*c*) the decisions, if any, on those recommendations?

The Hon. Sri P. KAKKAN : (*a*) Yes, Sir.

(*b*) This Government did not make any specific recommendation at the conference for the welfare of Backward Classes in this State. There was a general discussion on the agenda placed before the conference by the Government of India.

(*c*) Does not arise.

Sri M. ETHIRAJALU : தாழ்த்தப்பட்ட மக்களுக்காகச் செய்யவேண்டிய வேலைகள் ராஜ்யங்களில் துரிதமாக நடக்கவில்லை என்று மத்திய அரசாங்க உள்துறை மந்திரி அவர்கள்

வருத்தம் தெரிவித்ததைப் பத்திரிகையில் பார்த்தேன். ராஜ்யங்களில் இந்த வேலைகள் துரிதமாக நடக்க என்ன ஆலோசனை இந்த மகாநாட்டில் கூறப்பட்டது என்று கனம் அமைச்சர் சொல்வாரா?

THE HON. SRI P. KAKKAN : The conference has suggested further delegation of authority to the States to reappropriate funds from one group to another within the same category of Backward Classes. The Government of India have since conveyed their approval to the delegation of powers to the State Governments for more expeditious implementation of welfare schemes.

The conference has considered it absolutely essential that steps should be taken to ensure preparation of timely and accurate progress reports and has recommended that in each State Department in charge of Welfare of Scheduled Castes and tribes a special unit should be established to consolidate reports received from the field. It is proposed to consider the question of supply of printed forms for progress reports in consultation with the Director of Harijan Welfare and also to create one section in the office of the Director of Harijan Welfare for the timely and accurate preparation of progress reports.

SRI A. GAJAPATHY NAYAGAR: இவர்களுக்கு வீடு 3-20 p.m.
கட்டிக் கொடுக்கும் திட்டம் ஏதாவது உண்டா?

THE HON. SRI P. KAKKAN: திட்டம் உண்டு. இந்தக் குறிப்பிட்ட இடத்தின் விலை இவ்வளவு என்ற முறையில் அரசாங்கம் இடங்களுக்கு விலை குறிப்பிட்டிருக்கிறது. அந்த விலையில் பாதியைக் கொடுக்க அவர்கள் முன்வந்தால் அதைச் செய்யலாம்.

Ramakrishna Mission Vidyalaya

* 146 *Q.*—DR. A. SREENIVASAN : Will the Hon. the Minister for Works be pleased to state—

(*a*) whether it is a fact that a school under the management of Sri Ramakrishna Mission trains students in Engineering at Coimbatore; and

(*b*) whether the diploma granted by the institution is recognised by the Government and, if not, the reasons therefor?

THE HON. SRI P. KAKKAN : (*a*) & (*b*) The Ramakrishna Mission Vidyalaya, Coimbatore, conducts a diploma course in Civil and Rural Engineering of 3 years' duration. The final examinations are held and diplomas are awarded to the successful candidates by the National Council for Rural Higher Education. The question of recognition of the diploma for purposes of appointment under this Government is under consideration.

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DR. A. SREENIVASAN: ஸெண்ட்ரல் கவர்ன்மெண்டார் இந்த டிப்ளொமாவை அங்கீகாரம் பண்ணியிருக்கிறார்களா?

THE HON. SRI P. KAKKAN: "நாஷனல் கவுன்சில் பார் ரூரல் எஜுகேஷன்" தான் இதை கொடுத்திருக்கிறார்கள். ஆகையால் இது மத்திய சர்க்காரால் அங்கீகரிக்கப்படவில்லை.

DR. A. SREENIVASAN: இதை நம் சர்க்கார்தான் அங்கீகாரம் பண்ணத் தயங்குகிறார்கள் என்று தெரிகிறது. இது ஸெண்ட்ரல் கவர்ன்மெண்டால் அங்கீகாரம் பண்ணப்பட்டு, அநேகம் பேர் உத்தியோகங்களுக்குப் போயிருக்கிறார்கள் என்பது கனம் அமைச்சருக்குத் தெரியுமா?

THE HON. SRI P. KAKKAN: இந்த மாநில சர்க்காரும் இப்போது சம்பந்தப்பட்ட அதிகாரிகளின் சம்மதத்தை இது சம்பந்தமாகக் கேட்டிருக்கிறது; அதாவது சீப் எஞ்ஜினியர், டைரெக்டர் ஆப் டெக்னிகல் எஜுகேஷன் இவர்களின் சம்மதத்தைக் கேட்டிருக்கிறது. இது அரசாங்கத்தின் பரிசீலனையில் இருக்கிறது. பரிசீலனை முடிந்தவுடன் அரசாங்கம் முடிவு செய்யும்.

DR. A. SREENIVASAN: நமது கவர்ன்மெண்டார் இந்த ஸ்கூலுக்கு ஏதாவது மானியம் கொடுக்கிறார்களா?

THE HON. SRI P. KAKKAN: இதற்கு தனிக் கேள்வி போட்டால் பதில் சொல்லுகிறேன்.

MR. CHAIRMAN: Questions are over.

[NOTE.—An asterisk * at the commencement of a speech indicates revision by the Member.]

II.—ANNOUNCEMENT *RE* MESSAGES FROM THE ASSEMBLY.

MR. CHAIRMAN: I have to announce to the House that I have received a message from the Hon. Speaker, Madras Legislative Assembly, transmitting a copy of the Madras General Sales Tax (Amendment) Bill, 1960 (L.A. Bill No. 25 of 1960), as passed by the Madras Legislative Assembly, on the 9th September 1960, and signed by him for the recommendations of the Council. He certifies that the Bill is a Money Bill within the meaning of Article 199 of the Constitution of India.

I have also to announce that I have received a message from the Hon. Speaker, Madras Legislative Assembly, transmitting a copy of the Madras Public Premises (Eviction of Unauthorised Occupants) Bill, 1960 (L.A. Bill No. 24 of 1960), as passed by the Madras Legislative Assembly, on the 9th September 1960, and signed by him for the concurrence of the Council.

III.—CALLING ATTENTION TO THE SUDDEN AND S EEP FALL IN THE PRICE OF POTATOES GROWN IN THE NILGIF S DISTRICT.

SRI V. M. SURENDRA RAM : Mr. Chairman, Sir, under rule 41 of the Council Rules, I wish to call the attention of the Hon. the Minister for Home, to a matter of urgent public importance, viz., the recent sudden and steep fall in the prices of potatoes grown in the Nilgiris district and the consequent accumulation of heavy stocks in the hands of the growers which affects adversely the production of potatoes.

* THE HON. SRI M. BHAKTAVATSALAM : Sir, I would like to make the following statement with reference to this " calling attention " notice.

The reasons attributed for the recent steep fall in prices of potatoes grown in the Nilgiris district and the accumulation of stocks, are as follows :—

(1) Large arrivals in the market from the harvested produce.

(2) Bombay, Calcutta, and even some less important North Indian towns provide the main market for the Nilgiris potatoes. Of late, increased facilities are available for cold storage warehouses at Calcutta and in other important places in North India. Fresh potatoes will not generally be available in North India during the months of June, July and August and there used to be large-scale export from the Nilgiris district to those places during these months. But now, due to better cold storage facilities, the potatoes grown and harvested in North India prior to this period and preserved as a result, are finding a better market in Calcutta, they being cheaper than potatoes from the Nilgiris. It is reported that the demand from Calcutta and other places in North India has gone down considerably this year and in recent months. Bombay too is now getting larger quantities of potatoes from Assam and Mysore States. Mysore has of late taken to increased production of potatoes, and Mysore potatoes are finding an easy market in Bombay with the result that the demand for the Nilgiris potatoes has gone down.

(3) Outside India, Ceylon is the chief market for the Nilgiris potatoes. The quality of the last crop was, however, not good enough for export to Ceylon.

(4) The Railway imposed a restriction on the booking of perishables in July in view of the strike of the Central Government employees. Though the restriction has been removed, there is still some restriction of the booking of goods to North Indian Railway. This was an immediate contributory factor for the sudden slump this year. The position is, however, expected to change for the better shortly.

IV.—GOVERNMENT MOTIONS.

(1) Motion under rule 23 (1) of the Madras Council Rules *re* transaction of Government Business on a non-official day.

THE HON. SRI R. VENKATARAMAN : Sir, I move—

" That rule 23 (1) of the Madras Council Rules be suspended and this House do resolve to transact Government Business on Saturday, the 10th September 1960 ".

MR. CHAIRMAN : The question is—

" That rule 23 (1) of the Madras Council Rules be suspended and this House do resolve to transact Government Business on Saturday, the 10th September 1960 ".

The motion was put and carried.

(2) Draft outline of the Third Five-Year Plan —cont.

DR. A. LAKSHMANASWAMI MUDALIAR : Mr. Chairman, Sir, while appreciating the attitude of the Government in placing the draft outline of the Third Five-Year Plan of the State before this House for consideration, I have to state two factors. Any State plan is obviously so intimately integrated with the Central plan that it seems to me that we cannot discuss these two separately. Secondly, so far as the Central plan is concerned, not merely has it been placed before the public, but various bodies connected with the Planning Commission have already discussed it and sent their final recommendations, so that it seems to me that at this late stage not much effect will be had so far as the Government of India is concerned with regard to the suggestions that we may have to offer. I am not pessimistic, but I certainly cannot see how at this late stage any radical change can be made in the plan as practically accepted by the Government of India through the Planning Commission's recommendations.

Now, Sir, so far as the Third Plan is concerned, it has been stated that there are five main objectives. The first is to secure during the Third Plan a rise in national income of over five per cent per annum, the pattern of investment being designed also to sustain the rate of growth during subsequent Plan periods. The second objective is self-sufficiency in foodgrains and increased agricultural production. The third is to expand the basic industries like steel, fuel, and power, and to establish machine-building capacity so that the requirements of further industrialisation can be met within the period of ten years or so. The fourth is the utilisation to the fullest extent possible the man power resources of the country and to ensure substantial expansion in employment opportunities. The fifth and the last is to bring about a reduction of inequalities in income and wealth and a more even distribution of economic power. So far as I can see the last is the one thing that is likely to be accomplished—I would not say much more readily

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in comparison with the other great aims. We are tending to this position where equalities of income must necessarily be the prime factor. That apart I wish to raise this question. So far as the Plan outlay is concerned, we have to remember that out of a total outlay of Rs. 10 thousand crores in the first two plan periods, the investment in the public sector was Rs. 6,560 crores and in the private sector Rs. 4,900 crores. Now, this has been possible largely from two sources of income, rather from three sources. The first 3-30 p.m.
of these, I would say, is the aid that has been available from different countries. That aid has been in the form of outright grants as well as in the form of loans. At no time in the history of this country have so many countries voluntarily offered loans for aid. They have offered aid to other backward countries also. We welcome this aid and we thank them for it. But we have to remember that the external assistance to India from the beginning of the First Five-Year Plan to date amounts to Rs. 1,658 crores and of this Rs. 1,316 crores were in the form of loans and Rs. 342 crores in the form of grants. Of the loans, Rs. 444 crores is repayable in rupees and Rs. 871 crores in foreign currencies. It is obvious that the repayment of the loans with the interest will be a heavy burden indeed on the people of the whole country for the next two or three decades, not taking into consideration the loans that may be required to cover the expenditure on the Third Plan. Besides these loans, there have been internal loans taken by the Central Government and the States to an extent which would not have been thought possible in previous years. I am ready to concede that it is probably due to a certain amount of expansion of industries and other methods of increasing the national income. But all these must be borne in mind at the commencement of the Third Plan. We must remember that we are not starting on a clean slate and that these loans have to be repaid to foreign countries. We have to do what we can with our own loans. I know there are many ways in which internal loans can be adjusted and I do not think anybody will suggest that so far as foreign loans are concerned, it is not a question of honourable discharge of the loans. That also makes me feel that in the present state of world affairs, we have to take a cautious look at the possibilities of the future. I do hope and trust that nothing untoward would happen in the world, although when we wake up every morning we see in newspapers things disheartening in the extreme. Let us hope and pray that nothing untoward will occur. Should still anything untoward occur, even the best laid plans will go agley, as the Poet says. Taking it for granted that we have resources for the Third Plan, what is the method of distribution of outlay between the Centre and the States? It has been stated that the distribution of outlay is based on the assumption that as a general principle, all development schemes executed by State Governments will form part of the plans of the State and that only certain limited categories of schemes will be shown in the plans of Ministries as being sponsored by the Centre. It is, however, to be noted that so far as Industries and Minerals are concerned, Rs. 1,470 crores will be the share of the Centre and only Rs. 30 crores of the States, while in Transport and Communications, Rs. 1,225 crores will be the Centre's contri-

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bution and Rs. 225 crores that of the States. To what extent and in what manner the schemes sponsored by the Centre of the order of Rs. 2,700 crores for Industries and Minerals and for Transport and Communications will be co-ordinated with the schemes of the States is a matter on which further information is not available, either in the Draft Plan of the Centre or the State Third Five-Year Plan. Let me take one single factor for consideration. A great deal has been said about our steel requirements. We are naturally anxious that there should be a steel plant established here as early as possible. In fact, an amendment to that effect has been moved by my Friend, Mr. Raza Khan. Top priority is sought to be given to the lignite project and the steel plant. I shall not deal with the lignite project at present. But what is the position of the steel project so far as the Central Government are concerned? It is reported that the developments in iron and steel are linked with the target capacity of 10·2 million tons in terms of steel ingots and 1·5 million tons of pig iron for sale. Besides the Bhilai, Rourkela and Durgapur steel plants which are to be expanded, the Third Five-Year Plan also provides for a fourth steel plant to be started at a place called Bokara. Sir, having perused the Draft Plan very carefully for a number of days, I regret to say that there is no mention of any possibility of a steel project in the South, much less in Salem. Yet, it may be that thanks to the efforts of the Minister for Industries, some leeway may be made at least before the end of the Third Five-Year Plan period. The Government of Madras have investigated the possibilities of raw materials being available for the steel project and if I remember aright, they have suggested that about 35 million tons would be available in Salem district alone. But the main consideration is the supply of coal for industrial purposes and for power. No industry can possibly be started on a large scale unless coal is available. I know one of our chief hopes is that lignite may be a substitute for coal and I shall refer to that a little later. What is the position of coal so far as the Third Plan is concerned? The production of coal is proposed to be stepped up by 68 million tons, that is, to 97 million tons. It is known of course that the coal belt is largely in the North, besides the Singereni coal mines. So far we have not been able to hit upon any coal mines in any part of the country below the Vindhya mountains. The chief difficulty in obtaining coal, besides the demand for it everywhere, is the cost of transhipment and other factors which make it almost prohibitive for any large-scale industry to be started in the South. It is well-known that in another commodity, which is equally important at least for building purposes, namely, cement, the Government of India have made it incumbent, irrespective of the place where cement is produced, that a uniform rate should be available throughout India and have stepped up the price in areas where it could have been available at a cheaper rate, so that imported cement and indigenous cement may not compete with each other. While that is possible for a commodity like cement, I would like to ask why it is not possible to follow the same policy in regard to our coal requirements also. I do not

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suggest that that equalisation should be put on the private sector. A large number of coal mines are Government-owned and if the Government wish to develop industries in any part of the country, their chief duty is to see that coal is made available from the Government coal mines at uniform prices in the different parts of the country. Apart from the difficulties experienced in the transhipment of coal owing to the policy of the Railway Administration so far as the South is concerned, I must say one thing. We do not want coal for cold weather; but we do want it for the few minor industries that we do attempt to start. A uniform price policy should be followed in the case of coal as in the case of cement which incidentally is produced in fairly large quantities in the South. Coal is equally important as cement is.

Now, let me come to the resources for the Third Plan. Sir, it is now well-known that a total expenditure of 10,200 crores of rupees is envisaged. Out of this Rs. 6,200 crores is to be spent by the Central and State Governments and Rs. 4,000 crores in the private sector. To this is added Rs. 1,050 crores in the public sector which represents current outlays, that is, the total of recurring expenditure for increasing the level of social services and certain administrative overheads by the Central and State Governments. Thus, a total of Rs. 7,250 crores is expected to be the financial outlay of the Third Plan in the public sector. And to meet this heavy expenditure, additional taxation including measures to increase the surplus revenues of public enterprises is envisaged to the tune of Rs. 1,650 crores. I hope hon. Members will digest this part of the Plan report because it is likely that this will be implemented much sooner than any other thing in the Plan. It has been stated that the fulfilment of the additional taxation target of Rs. 1,650 crores over the five-year period is vital for the successful implementation of the Plan. I have no doubt that it is usual and I think it is also admitted that this additional taxation target of Rs. 1,650 crores will involve considerable effort on the part of the Central and State Governments to broaden their tax structure and the minimum target for additional taxation in the States will have to be one-third of the total of this amount. I would ask hon. Members to note the expression ' to broaden their tax structure '. In other words it will have to be something like Rs. 530 crores. Now, Sir, the expression ' broaden the tax structure ' at once makes us realise that it is going to be spread out over the whole field of taxation, not only over this or that particular industry. It is to be realised that the burden of taxation cannot fall in an equal measure upon all States or upon all citizens in the country. For one reason or other, the productive capacity of some States will be much higher and therefore the income of the citizens of those States will be certainly much more favourable for additional taxation than any other States. To draw a general inference that, after these two Plan periods, there will be an increase during the Third Plan period at the rate of 5 per cent per annum in the National Income is, to take an analogy, to cross a deep river by taking the average of the depths in several places. Even a child

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knows what would happen thereby. In other words, the income of every citizen must be approximately within a range which will give an average of 25 per cent. But what are the schemes which will enable an ordinary citizen to bear the burden of taxation? What are the schemes which will enable an increase in the per capita income of not 25 per cent but at least 10 to 15 per cent? I leave aside those who are fortunately employed in the public sector because by various means, by threats and otherwise, by strikes, by demonstration, by personally appealing to the Ministers, they can get an increase. But what about the large number of people who have no influence whatsoever and who are living in sectors where it is impossible for any increase to occur? We have seen in our own time many unfortunate occurrences taking place, the most notable of them being the strike by Madras Tramway employees some years ago. Surely, it has to be admitted that the burden is going to be far heavier in a State like Madras than anywhere else. But—this is to be admitted—the resources of the State are not likely to expand in the same degree nor is the large outlay contemplated to be equally distributed even regionwise. What steps the Government of the State have taken to look into this matter is not unfolded in the pages of the Third Plan book. It is, I think, very important that the State Government must give some thought and tell us exactly what the position would be, what the burden of the State would be, what the increase in taxation would be and how they are going to meet it. I know that one fine morning in the Budget, additional taxation will be proposed and knowing as I do, the manner in which the Budgets are passed over several years—at least during the last 12 years or so—I have no doubt that such proposals will be accepted and carried by the majority. But the person who knows where the shoe pinches may well have very little voice or say in the matter.

It would be interesting, in this connection, if the Government were to unfold the total amount of Central outlay on schemes for the development of the different States and more particularly of the State of Madras in the First and Second Five-Year Plans and in the contemplated Third Plan. I do not know if such figures are available in any of the publications that have been placed before the hon. Members of the Legislature. But so far as my recollection goes I must confess ignorance in this matter. Let me not be misunderstood. It is not for a moment suggested that there are no schemes which will benefit the whole country if they are undertaken wherever they may be but—and this is a point I would submit with great regret—the present trends in regard to the static nature of the response from different States make it abundantly clear that projects, though undertaken by the Centre in particular States, will not have their full benefits contributed to other States. Thus, in the field of irrigation, the Bhakra Nangal, the Hirakud, the Damodar Valley Project and other major river valley projects, undertaken in different parts of the country at considerable expenditure are no doubt outstanding achievements of the Plan periods. And while being more proud as Indians that such projects have been possible, it has to be

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admitted that in the present state of affairs, the benefits accruing therefrom are not available to other parts of India to the extent to which one would expect. There is a considerable amount of talk with regard to irrigation and power which may be made available from neighbouring States. I have mentioned on a former occasion that this is an exceedingly delicate subject, and the more vehemently some Members speak about it, the less likely are their efforts to bear fruit. Circumstanced as we are, with a past history which, unfortunately, cannot be easily erased from the memories of most people, the approach to this question has to be both delicate and persuasive. And in any such project, a great deal more may have to be contributed by the State which seeks to benefit therefrom to the mutual benefit of the two States concerned. May I suggest that in such circumstances a more diplomatic method of approach is required? I was sorry to see the other day in the newspapers that there was a protest against the Nagari river waters being diverted. I realise that the diversion of the waters would mean the shortage of supply to the city water-supply scheme. But I do feel even under such circumstances the subjec should hatve been more tactfully dealt with than a protest made to the Andhra Government, whil · we are asking that the waters of the Godavari and Krishna should be diverted to us.

The Hon. Sri M. BHAKTAVATSALAM : Sir, about this matter there appears to be some misunderstanding. It is not merely a question of the city water supply being affected. The ryots in these villages have a fear that their own interests will be affected. Therefore that aspect has got to be examined before any commitment is made and before the work is taken up. The Andhra Government propose to take up the work. We told the Andhra Government that there was objection, and when I met the Andhra Ministers they said that it was a matter which had to be examined. That is all the position. There is nothing like a serious protest and all that.

Dr. A. LAKSHMANASWAMI MUDALIAR : I am referring to a newspaper report. It does more damage than any statement in this House. I have got the newspaper cutting with me and I do not want to trouble Members by reading it. But the word ' Protest ' is supposed to have been used by the Hon. Minister and the statement was that the Government had protested to the Andhra Government. I take strong objection to the use of this terminology. We all realise the necessity for protecting the interest of the peasants and the State. As I said, a more diplomatic method is wanted and unless we constantly keep this in mind- -at least the Treasury Benches should do it, and I do not ask this of the leaders of Opposition because they may want to express the views much more vehemently to put them on a higher pedestal—it will not do us any good. In these matters as we are anxious to get waters from them it is a much more diplomatic method that we should adopt. Even my hon. Friend Sri Raza Khan was saying that the settlement of the Canal waters dispute with Pakistan took a long

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time because of this, and fortunately we are now in a much better position. Sir, I know my Andhra friends very well as I hope and trust I know my Tamil friends. I can tell you this without any feeling of reserve that they are all generous-hearted people, and if a proper approach is made, I have no doubt whatever that they will not adopt a policy which denies to themselves and a neighbouring State, which was a part of their State, the privileges and facilities, which ought to be made available.

Sir, I now come to a question that has roused a great deal of interest in this House, and I should say that the amendment also mentions the development of Tuticorin as a major port as a part of the Sethusamudram project. A very small note is given about the ports in the Third Five-Year Plan. Tuticorin port does not come anywhere into the picture. How we are going to introduce Tuticorin port and fight for it, passes my comprehension. There are other ports that are being developed. Fortunately, when Karachi was not available to us, the Government of India took a vigorous line of action and immediately took steps to have a port in the present day Gujerat, namely, the Kandla port. Not only has this been established, but it has been made a free port. Hon. Members may not exactly realise the significance of a free port. No sort of customs and no duties are to be paid. All articles imported at that port will be duty free. They can go to the persons concerned as duty free articles. I will not dwell on this subject more.

3-5 p.m

Sir, the only geographical and natural advantage that this country has got is a very long coastal line both in the East and in the West, not to speak of the southern curve. Take, for instance. England. There are many ports like Dover, Hull, Portsmouth, Plymouth, Bristol. . . (Interruption). My hon. Friend will supply the names of the other ports. Now it seems to me that the importance of ports as the best means of promoting foreign exports and imports does seem to lack recgnition. In a Plan of Rs. 10,200 crores, ports are allotted the magnificent sum of about Rs. 60 or Rs. 80 crores, if I remember aright. It seems to me that those who planned were planners probably living in the central parts of India and did not realise the value of ports for the national economy of the country.

Sir, I now come to transport and communications. It is stated that the decade 1951–61 has been a period of considerable expansion in transport. It is stated that about 1,200 miles of new railway lines are likely to be added, 1,300 miles of railway track doubled, and 880 miles electrified by 1960–61. May I know, Sir, what share of these new lines, double tracks and electrified lines was allotted to this State of Madras? I shall await the answer of the Hon. the Leader of the House in due course. But, Sir, by relegating a metre gauge to the South, more particularly to the State of Madras, for decades trade has not developed, and now even the electrification of a small section of 85 miles from Tambaram to Villupuram is to be cut down to 75 miles, if the latest news in the papers is to be taken

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note of. They will take up the electrification of the section between Chingleput and Tambaram, but there is no mention of the electrification of the line between Tambaram and Chingleput. The distance of twenty miles between Tambaram and Chingleput is not included in the electrification programme. If I were the spokesman of the Government of India, I can give the explanation also.

Sir, what is the position of this part of the country? The only industrial venture, the life-line of the State, is the Neyveli project, which is to cost the Centre no less than Rs. 70 to Rs. 75 crores, which will be a complete failure unless the railway line is laid at least up to Salem where we are living in the eternal hope that a small steel plant will be started.

Sir, reference has already been made to the extremely meagre consideration given to the expansion of transport facilities in this State by the Railway Department. One would almost say that so far as the Railway Board is concerned, the needs in other parts of India being overwhelming according to its concept, it has neither the time nor the inclination to think of other problems in other States.

There are only two so-called large scale Central enterprises in the State. One is the Integral Coach Factory. The other is the Neyveli project. So far as the Integral Coach Factory is concerned, while we are thankful to the Central Government for having located it in Madras and given relief by way of employment to a few hundreds of people or perhaps a couple of a thousand or more, the distribution of the beneficent activities of this enterprise is all over India. The only project which may be said to have a reasonable chance of lending itself to development in the industrial sector is the Neyveli project. Naturally therefore we are clinging to it. We hope that the Neyveli project will give us briquettes out of the lignite, we hope to get fertilisers, we hope to electrify a large number of places, and we hope that a steel plant will be started. I do not know what other hopes we have. Probably some of the chemical projects may be thought of. All this is a remote hope.

Now, Sir, I must confess, no doubt due to very many difficulties, the progress of this project has been extremely slow. One can understand it in the beginning. It is only recently that the interest evinced by the Industries Minister has had some effect in bringing about foreign experts' advice to assist in the prblems connected therewith.

I am extremely glad that for the first time in the history of the Neyveli project a Central Minister is reported to contemplate a visit to the Neyveli project. Whether that visit will materialise or not cannot be foretold till actually he comes and visits. It is not a project which lends itself, at this stage or at any stage, to the gaze of a visiting and admiring public from other countries. But that is the only project which may give some little salvation to the State

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of Madras. I am firmly of the opinion, and I would request the Government to take note of this, that the progress of this project should be expedited considerably, that the State Government should take a more active interest in the project, and that they should press upon the Central Government to have a joint voice in the progress of this one project which, after all, is supposed to cost only Rs. 70 crores as against Rs. 200, Rs. 300 or Rs. 400 crores that have been spent on the various irrigation projects in other parts of the country. I am not at all jealous of these. I am very proud of them. I myself had been to Hirakud as also to Bhakra-Nangal and admired them along with many foreign friends. They are very good. But, after all, charity begins at home.

Sir, let me come to agriculture. If there is one subject which has plagued the Minister of Agriculture and the members of the Assembly and the Council alike, I should say that it is 'agriculture'. We have been speaking about agriculture, and I see that in the Second Five-Year Plan period, the production, which was 52·2 million tons in 1950–51 has come to 75·0 million tons in 1960–61. Yet food scarcity and fair price shops are the order of the day. It cannot be accounted for by the growth of population, as the growth of population has not been in that proportion. Also in the case of sugarcane, from 5·6 million tons in 1950–51, the production has come to 7·2 million tons in 1960–61.

We have always been told that these irrigation projects will give
4 p.m. us much relief in agriculture. That is a pleasant dream that some of us wish to hug to our bosom, although it is extraordinary that in the Third Five-Year Plan, it is suggested that an outlay of Rs. 650 crores for large and medium irrigation projects and an investment of Rs. 240 crores for the production of fertilisers have been envisaged. Also a third of the expenditure under Community Development programme, which is of the order of Rs. 400 crores, bears directly on agricultural production, so that in the Third Plan, we envisage an expenditure of Rs. 1,050 crores on agriculture.

I have been listening every year to the same tale that there will be enough this year, next year, year after next. Hungry mouths are still waiting with no little hope of something being eventually done. It is interesting in this connection to note that while over Rs. 1,000 crores is to be spent on large and medium irrigation projects and various other improvements including production of fertilisers, so far as the State Plan is concerned, the amount that is provided for agricultural production including Minor Irrigation and Land Development is Rs. 27·3 crores and for irrigation Rs. 40 crores. I do not want to go into many other details but one thing seems certain; if these plans are to be properly evolved, there should have been far more consultation at the State level and between the States and the Centre and even between two or more contiguous States and far more consultation with the important sections in the private sector. Unfortunately, the private sector is not looked upon with any degree of grace. And yet, I feel

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that it is a mistake—a colossal mistake—to think that the State can, by its own efforts, look after all the industries, find employment for almost everybody, and take the onus on itself to be the mentor of the public. Such an attitude, whatever epithet it may be given, is calculated to defeat the very purpose of creating initiative, of enthusing the public to the task and making them more and more interested.

In spite of these Plans, one must confess that there is a feeling of sullenness and not that buoyant hope and expectancy in the bulk of the people. So far as the State Plans are concerned, it is possible that they may be adjusted because after all the expenditure on the State Plans will be mostly borne by the State. But so far as the Central Plans which have a bearing on the State are concerned, I am afraid we can do very little except to discuss. If possible, we can spend some more time than necessary on such discussion. I hope and trust that the day is not far off when it will be realised, as I think it is being realised by certain States and notably by our Government, that whatever sectors may be the concern of the State, it may not always discharge those functions effectively and with utmost economy and speed and that, therefore, the encouragement of the private sector is not only necessary but inevitable. If those in authority do not realise this before the Third Plan period, they will come to realise it when the Third Plan is nearing completion.

* THE HON. SRI R. VENKATARAMAN : Mr. Chairman, it is always a pleasure to hear the hon. the Leader of the Opposition. He brings to bear on the debate a high level of knowledge and information which helps the Government to focus attention on some of the points which are urgent, important and call for a great deal of scrutiny. Sir, in a discussion like this on a Plan, the dividing line between the Government and the Opposition becomes very thin and it almost vanishes. All are interested in the progress of the State. Each one of the hon. Members of this House as well as the other House is very keen in seeing that the State advances as quickly as possible, as fast as we can make it advance with the resources that we have. In fact, all of us have the same objective before us. In the approach to the problem, we may have slightly different notions as to which should get priority. We may have different ideas as to the quickest way of achieving the target. Nevertheless, there is no difference whatsoever with regard to the objectives to be achieved by the State and the country as a whole. Now, having said this, I wish briefly to refer to some of the inherent difficulties which have been dealt with by the hon. the Leader of the Opposition.

Firstly, we have exhausted all the foreign exchange resources we had during the first two Plan years. We have taxed our people to some extent and naturally there is resistance to further taxation. We have also tried to build our industries as fast as we can but we have not been able to build all of them within the two Plan periods. We have not been able to feed all the people in this country and it

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requires no great eloquence to point out that a large section of the people of his country still go without adequate food. But are these really difficulties of the Plan? What are the basic causes for this state of affairs? Years and years of backwardness both in agriculture and in industry, years and years of lack of initiative, enterprise and opportunities for development in both agriculture and industry have accumulated for us a heavy load, a backlog in the matter of economic development, that it requires superhuman efforts to clear the arrears and the backlog. The Plan is intended to accelerate the process by which the arrears can be cleared, before we can go forward like any other fairly advanced country of the world in the direction of improving year after year the standard of life of the people. Until the arrears are cleared, it would be somewhat unrealistic to imagine that any Plan that we are making would be able to bring about a great improvement in the standard of living of the people or that we will be able to catch up with the rest of the world. My humble submission to this House is that ten years of planning has given to this country a start in the direction of clearing the arrears in the great race that humanity is now running towards achieving a higher degree of happiness. We have started late and therefore we have to exert more. If anybody should say that we cannot exert our utmost and that the exertion is too great for us, then necessarily he has to reconcile himself to a comparatively indigent state, to a greater level of poverty in the country and to a poorer standard of living. I am quite sure there is no one who is prepared to reconcile himself to this state of affairs. Therefore, this planning becomes imperative. Without planning it will not be possible to accelerate the pace of development and, therefore, I submit that in this long process of trying to recover lost ground, we who are on the threshold of the Third Plan do not know how long and how many more Plans we would require before we are able to say that the economy has developed itself to a level at
4–10 p.m. which it will not only produce what the people want for consumption but enough for investment so that we may achieve a self-generating economy in our country. As I said at the opening of this debate, planning becomes necessary in any underdeveloped and less developed countries in order that those countries may be able to get a start in the matter of industrial and social progress. In the last 10 years there is no denying that we have produced more food, there is no denying the fact that we have produced more cloth, there is no denying the fact that we have produced more sugar. In fact, we have produced in every conceivable commodity greater quantities than we did in the year 1950. That the increased production is not enough to meet the demand is no fault of the increased production itself. In fact, if the demand grows faster than what is produced it will only show that the rate of development that is taking place in the country and the people is greater than what it was before. I do not want to deal with this aspect of the matter elaborately because I have dealt with it on another occasion. But I would like to ask this question : Where has all this increased production gone? Here we have figures about increased production in Madras. The food production has increased in the last five years from 44·21 lakhs

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of tons to about 50 lakhs of tons. In respect of groundnut it has increased from 8.27 to 9.14 lakhs of tons. In respect of cotton it has increased from 3·11 lakhs bales to 4·01 lakhs of bales. There has been considerable increase in sugarcane, etc. Now I want to ask : Has all this increased production not really gone to the people for their own consumption? Has this not given them extra food, extra clothing, and extra amenities by way of sugar, tea, coffee, etc., during all these ten years? If in the ten years we have been able to provide purchasing power for a larger section of the people to be able to demand more it only shows that the pace at which the country is developing is fast. And it therefore creates an incessant demand for the basic commodities and goods produced. If all these things are produced and if there is no purchasing power with the people a most disastrous consequence would have resulted. In fact there would have been a slump. There would be no production. There would be no employment. The consequences of slump and the series of consequences which follow a world depression would have overtaken this country also. To-day we are launching on schemes in which capital investment is high. The Neiveli project is a capital investment. Number of these dams and irrigation projects are initially capital investments. Now these capital investment projects give purchasing power to those employed in the various sectors. And they are not able to find enough consumer goods during the period. The investment is on capital goods. Therefore it is we find that even though people are having purchasing power to buy things they find it costly to buy those things. But once these capital investments begin to yield results, they begin to yield fruits, naturally enough consumption goods would be produced and that would take care of the increasing purchasing power put into the hands of the people. I would ask for patience therefore for a little longer so that all the investments that we are now making—investments in capital goods, huge projects and large industries—may bear fruit. On completion they will provide enough consumption of goods. Until that takes place a little inconvenience has be borne.

Sir, I would say that the economy of our State is basically sound and that the steps we are taking are really towards progress, that none of these investments, none of these plans will lead to any adverse economic consequences or will create any chaos or danger or disaster to the country or the State. On the contrary if we do not do it, probably we will cause confusion, we will cause bitterness, we will cause hatred and we will even cause commotion within the country.

The hon. Member Sri Balasubramanya Ayyar asked very naively one question : Why should we not keep quiet for one year at least and see what has been achieved during the First and the Second Plan periods, why not give rest for a year and then assess what has been done? I want to ask you to consider what that would mean. We will have to go and tell the people that the hospitals that are half-built will remain unbuilt. We have to go and tell our people that the schools promised will not be opened, that the roads for

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which they have been crying for so long will not come and they will have to wait. In fact none of the things which we have planned either for education, for health services and so on in this Plan will be available to the people. We will only be carrying on the ordinary day-to-day administration and perhaps carrying on what has been achieved up to the end of the Second Five-Year Plan. You may say that the Government can spend without this Plan. Between spending with a plan and spending without a plan, any man would say that it is far better to spend with a plan than without it. Therefore it is that it is not possible and particularly for a Government which has to depend on the people's support in a democratic set up to go and tell them that they will have to wait for one year. They will certainly choose a person who will give them this year all the things they want than a person who merely promises them things after some years. It is very necessary that the aspirations of the people should be met and they have to be met as quickly as possible. And the aspirations of the people today are such that a larger Plan, a bigger Plan, a greater investment, larger amenities, greater facilities. are called for. If we are not able to satisfy that, it is not because we do not have the will but because we lack the resources. Taking into account the large demand which the people make today upon the Government, the insistence that arises from the people for various services and amenities and also taking into account the limit of financial resources that we possess, a workable Plan has been presented to the country. The ten thousand crores plan which has been circulated and which is now under discussion represents perhaps the golden mean between the aspirations and the desires of the people on the one side and the enormous amount of reseurces that would be required to meet them on the other. It strikes a middle path in the hope that we will still be able to meet some at least of the wishes of the people without straining the very people themselves far too much.

Sir, in this connection I want to disabuse the minds of people who think that the plan has been completed. The hon. the Leader of the Opposition doubted whether any change could be made at all as the Plan had been discussed already and had been finalised by many departments. I wish to bring to the notice of this House that nothing is final unless the National Development Council accepts it. The National Development Council is yet to consider this plan. All the States' Ministers and the Chief Ministers would go to the National Development Council to put before the Council their respective claims for correcting the regional imbalances which we find in the Plan, for urging for inclusion of certain items which we think should be given the highest priority than what has been done on an All-India basis and to seek redresses. So until that is done we may take it that the Plan will be suitably modified in the best interests of all the States in the country, and perhaps if not to the entire satisfaction of all the States, at least to an acceptable measure by all the States. In this connection, criticism has always been made that our loan policy is leading us into somewhat of a danger, that we are always thinking of raising loans and still

more loans, and so on. I wish to submit to the House that the loans that both the Centre and the States are raising are not loans for any luxury expenditure or fruitless expenditure, but for investments which are going to bear results by the very use of those loans. We are in the same position as any industrial magnate who borrows for the purpose of the industry and finds then he is able to repay them all out of the products of the industry itself. I do not have figures for the whole of the country, but I may assure the Leader of the Opposition that so far as this State of Madras is concerned, our loans and our assets position is extremely satisfactory. The total public debt of Madras State is of the order of Rs. 194 crores and the total assets on account of the investment of this money is of the order of Rs. 253 crores. The loans and advances due to the Government, loans to the Electricity Board, capital expenditure, cash balances, and investments, all taken together constitute Rs. 253 crores as against the debt of Rs. 194 crores. Sir, if my personal view were to be taken, I think it is a conservative position. We should launch on a more progressive plan of going into the market and raise more loans not for useless expenditure but for fruitful expenditure, which would bring results, which would yield very large returns, and which would make for the welfare of the people of the State. 4.20 p.m.

Then, Sir, naturally when we began to deal with some of our local industries and other requirements, we laid great emphasis on the establishment of a steel project in Madras State, not so much because we thought that there were some big iron and steel projects in Northern India and elsewhere, therefore we must have one here, but because we wanted to utilise the resources that were available in this State. It is not out of a sense of competition with any part of the country that we put forward somewhat insistently the development of iron and steel industry in this State. It is only because we do not want to allow our resources to be wasted and unutilised when there is a crying need for the product. In this connection I may say that if we look at all the economically less developed countries we will see that they are so not so much because they have no resources but because they have not utilised them. Infinite knowledge can always utilise things that used to pass for dust. The world is progressing in a direction where it can utilise many things which in the past were considered to be worthless and useless. Here we have the ore which was considered by experts until very recently to be inferior in quality and not worth utilising in a steel project of the kind that is envisaged. Thanks to the technological and scientific progress that has been made in other countries, we have reached a stage when it is possible to utilise even the inferior iron ore that we possess. Having found out that we can utilise it, is it not necessary that we should go all out to get the project established in the State? And that is what the State Government have done. They have taken the initiative in this matter. They have obtained the expert opinion of people from Europe and other countries. They have found that the scheme is feasible and, therefore, they are insisting on the inclusion of this item in the plan. In

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this connection Dr. A. Lakshmanaswami Mudaliar stated that he found no mention of this in the Third Plan. Though it is not stated as a specific project, I am glad that the Third Plan has included it in a way. At page 211 of the Draft Third Five-Year Plan, you will find in paragraph 18 mention has been made of this. Paragraph 18 says—

'A pig iron plant based on low shaft blast furnace techniques and use of coke from Neiveli lignite is also included in the Outline as a project on which preparatory work should continue with a view to reaching decisions in due course'.

At the time when this was written, the final decision of the technical committee, which was appointed by the Government of India, to go into the feasibility of the scheme, was not available. But today the technical committee has reported that the scheme is not only feasible but also economic and therefore further steps should be taken in that direction.

Then, Sir, the second great difficulty is transport. Even though we are told that plenty of pig iron is now available, and occasionally reports appear in the newspapers of contracts being entered into for the export of pig iron, some of our foundries in Madras State are languishing for lack of pig iron. This is because of the transport bottle-neck, particularly in the north-east railway section at Vijayawada and Visakhapatnam. Owing to the difficulty in transport of pig iron as well as iron and steel, the industries in Madras State have been going through a period of very stringent scarcity in the last one year. It is the intention of the Government of Madras to take up this matter in the National Development Council and to urge that, whatever priority is given in the matter of transport, emphasis should be laid on strengthening the line capacity between Madras and Calcutta. It may appear somewhat strange to Members of this House that instead of asking for a railway line within Madras State, the Minister should say that he would lay great emphasis on strengthening the line capacity in the south-east line. But I want to submit to the House that really that will solve a great many problems of this State, particularly of the industries. All that is produced in the Bihar sector of India is now not available to this part of the country even though there may be plenty in that area, because of the transport difficulties. We are going to urge among other things that high priority on a national level should be given to the strengthening of this line so that the transport of goods between the Bihar sector and the South may be improved for the benefit of both sides.

Sir, following the same line is our insistence on the development of the Tuticorin Port. Today, if we rely only on railway lines for the transport of goods like iron and steel, fertilisers, and particularly coal, we will always be in the unenviable position of having to look forward in expectation of what our Railway Board may in their mercy be pleased to give by way of allocation of wagons from month to month. Therefore it is that we have been suggesting that the development of the Tuticorin Port as an alternative to

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Madras will go a long way to relieve the transport bottle-neck, which has developed during the last plan period. Tuticorin has natural facilities for being developed into a first-class harbour and the Committee on Intermediate Ports which went into this question has endorsed the view that the port should be developed into a first-class port and that it would cost only ten crores. I do not think that ten crores of rupees in a vast Plan costing 10,200 crores of rupees is such a big amount that the Government of India will deny a vital need of Madras and other States in the South of India. We have every confidence that the Government of India will appreciate the need for development of this port and come forward to help us to have the port very soon. Among the things to which we would give a very high priority would be the development of this Tuticorin Port. 4-30 p.m.

Then, we have to rely very largely on the lignite resources of our State. On the lignite we have pinned, I will not say all our hopes, most of our hopes. Not only do we expect to have a number of industries like the power station, the fertiliser plant, the low-carbonised briquette for domestic fuel and the high-carbonised briquetting plant as a feeder to the iron and steel plant, but a number of chemical industries are also possible out of the by-products. In East Germany, in a place called Lauchhammer, the economy is largely based on lignite. They have developed a number of industries. (Sri Mohamed Raza Khan: Lignite of inferior quality.) Yes. Nearly 19 industries or so round about that place are based on the by-products of the lignite industry. Once the lignite industry takes its full shape, and we start producing lignite in adequate quantities, I have every confidence that the industrialists in Madras State would come forward and take up all these projects. In this connection, I wish to clear a possible misapprehension about the progress of the Neyveli Liginte Project. Though there has been a slight delay consequent on the use of a somewhat new type of machine for the excavation of the overburden, viz., bucket-wheel excavator, the work on the project has been going on according to schedule. Some stray people who happened to visit the project were there at a time when the bucket wheel excavation was under repair. He must be certainly not a wise man who thought that the machine would never go out of order. The person concerned here never made enquiries about the causes for the work being held up but made very rash statements both here and in Delhi that the whole thing was a colossal failure and that the project was going to cost the Government of India all the money that they had invested. Hardly had he finished his trip round the country, the bucket-wheel excavator started working, and I do not think, it started working because he said something. (laughter) (Sri T. P. Srinivasavaradan: Did he come back and see?) Critics have only time to criticise; critics have no time to come back and rectify their mistakes.

Sri MOHAMED RAZA KHAN: Not in all places. (laughter).

The Hon. Sri R. VENKATARAMAN: I mean critics of that kind. (laughter). Therefore, I take this opportunity of emphatically

stating that the lignite project is working according to schedule and that it will be able to mine lignite by the middle of 1961, just about the same time when the 250,000 k.w. electric power station will go into operation. The power station is put up with the help of the Soviet Union, and raw lignite may be directly fed into the power station. It is not possible to store lignite, it being combustible substance. One has to integrate the whole plan in such a way that the striking of lignite and the coming into operation of the power station are simultaneous. We hope that this will be achieved by the middle of 1961 and that further progress in the mining of lignite will go on at a faster pace. Under the Third Plan, the Government have decided that they should initially mine 3.5 million tons and increase it to six or seven million tons. It is our estimate that not less than nine million tons will have to be mined per year for the purpose of feeding all the various units which are coming up and also to provide for the steel plant which we envisage in the Third Plan. Therefore, we hope that the Government will step up the production of lignite to nine million tons or roundly ten million tons per year at least before the close of the Third Plan.

Then it was stated that so far as Madras was concerned, apart from the Lignite Project and the Integral Coach Factory, there were no other Central Government projects here. While I confess that it is so, I wish to point out that it has not been such a disaster about which we need shed tears. Our progress in the industrial sector, especially with reference to the private sector, is remarkable. During the period of the Plans private investment has been more than double the public investment. Progress has not been retarded in any way. At the same time, provision has been made for a film industry in Madras. There is also provision for a Surgical Instruments Factory at Guindy. It is also proposed to install a prototype machine in Madras, a French Prototype Machine.

SRI MOHAMED RAZA KHAN : What is the cost of each of these?

THE HON. SRI R. VENKATARAMAN : The film industry will cost about four to five crores of rupees. The Surgical Instruments plant will cost about eight to nine crores. The French Prototype machine will cost Rs. 1·5 crores.

SRI MOHAMED RAZA KHAN : All told, it is 15 crores of rupees.

THE HON. SRI R. VENKATARAMAN : My friend must take into account the investment of the Central Government in the Neyveli Project which is of the order of 86 crores of rupees. The cost is expected to go up to 100 crores. If we begin to quote figures, the case will go against us because if we compare ourselves with neighbouring States and other parts of India, except those where there is capital investment of a high order as in steel plants and the like, the comparison would not be favourable to us. If the Government of Madras had not very often dilated on this aspect, it is

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because we know we do not have a good argument in that. Our contention has always been that the natural resources of every State should be developed to its fullest capacity and that the mere fact that a certain investment has been made should not be a bar for further development of that area, if the natural resources warrant such further development. If we begin to argue on the basis of the *per capita* distribution of the Central investment in each State, it would be both unrealistic and also might prove to be disadvantageous to our State. It is not also proper that when we are all claiming to be members of a great nation engaged in a common endeavour for the upliftment of the country as a whole, we should start bickerings between ourselves and our neighbouring States. Unless the neighbouring States and ourselves co-operate in a very great measure it will not be possible to achieve any degree of progress either for us or for the neighbouring States. If each one thought that the resources that God had given are to be exclusively used for his own benefit or for the benefit of that particular region or locality, then a lot of God-given wealth will be going to waste. Our very claim for sharing in the surplus waters of the neighbouring State is based on that theory that there should be an all round development of all States for the mutual benefit of all the States concerned. If the neighbouring States are not able to utilise the surplus waters themselves and if as a result of entering into an arrangement with the neighbouring State they get an advantage, they get something in return. They get for instance power and in some other cases food as in the case of Kerala or something of the kind as *quid pro quo*. Certainly it is in the interests of the States themselves to come together and try to develop the resources they all possess. It is in that view that we have been pressing both the neighbouring States and the Government of India to adopt a very liberal outlook with regard to the utilization of resources in the States and to see that they are made to subserve the human needs irrespective of territorial boundaries. Sir, in this connection I value very much the caution which the hon. the Leader of the Opposition gave to the House to-day. It is easy to look heroic by using strong words against others and against other States. But it will not really serve anybody's good and will not bring about that understanding which is necessary for our mutual improvement. I have in my mind the hon. Member Sri Kosalram who spoke very strongly yesterday about the Pambiar Scheme and about the now forgotten division of the State. (An hon. Member : Nobody has forgotten it.)

4–40 p.m.

SRI K. T. KOSALRAM : My speech was not aimed against any particular Minister either of this State or of the nighbouring State.

SRI MOHAMED RAZA KHAN : He wanted a negative result.

THE HON. SRI R. VENKATARAMAN : It is very difficult for others not sitting in the House to understand and appreciate the spirit in or the purpose for which it was said. When words like those are used it might be misinterpreted by people who are in charge

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of the administration in the other States. We do not have the opportunity to go and tell them that it was not intended. Once the wrong impression gains ground, it will be very difficult to disabuse them of the wrong impression. That wrong impression unconsciously will be working at the back of their minds even when people feel there is scope for coming to an agreement. I do not know wherefrom my hon. Friend got the impression that the Government of Madras have given up their rights to represent either to the Centre or to our neighbouring States with regard to the Pambiar waters. All that we can do is to convince our neighbouring States that the surplus waters which are not used by them may be diverted for the benefit of their own friends and neighbours instead of allowing them to go and join the Arabian sea. But that has to be a request. It is persuasion that is necessary and it is not a matter for condemnation or criticism. Whatever might have been the object with which the hon. Member Sri Kosalram mentioned it yesterday, I want to place on record the views of the Madras Government that they respect very much the rights of the neighbouring States over the resources which they have, that if they venture to offer suggestions for the utilisation of those resources it is not for the purpose of gaining any unfair advantage for this State over the other States but largely and in fact mainly for the purpose of utilising the resources for the mutual and common advantage of both the people and the States.

Sir, in this connection I also wish to state that in the Neyveli Project we have a share and two of our officers are members of the Board of Directors. And 25 per cent of the net profits would come to us. In fact, the agreement in this case is unique in India. In no other Central Project, the State is allowed to participate in the share of a project.

Lastly, let me deal with the points raised by the hon. the Leader of the Opposition. I wish to emphasise that so far as Madras is concerned we have never made any distinction between the private sector and the public sector in the matter of giving any preference of any kind. Actually the private sector has developed during the Second Plan period to a large extent than the public sector in the Madras State. There is no one single major public sector undertaking except the Electricity Board which is a public sector undertaking throughout the world except in stray countries, and a few bus routes which one had to take over under certain circumstances. It does not mean that the Government of Madras are against public sector undertakings. They will faithfully observe the policy resolution adopted by the National Development Council with regard to the respective spheres of public and private sectors. The Industrial Policy Resolution states that key industries, defence industries and certain kind of industries are reserved for the public sector. The other industries will be largely in the private sector. Therefore with due deference to the policy resolution adopted by the National Development Council our policy with regard to the respective industries will be framed. I may also say that whatever little

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improvement in the standard of life that we see in this State during the Second Five-Year Plan at any rate has been the result of large investment by private sector in industry. (Hear, hear.)

We have not started any industries as I have said earlier. Even the lignite project which has been started with large capital investment, has not yet yielded results. Therefore, if there has been an improvement in the standard of life of the people owing to the improvement in industry, it is to a large and great extent due to the private sector which has come up in the industrial field.

We have also detailed in the Third Plan a number of industries in regard to which the private sector can come up and take the initiative for starting them. I think there are as many as 34 industries detailed there but they are by no means exhaustive. There are a number of other directions in which the private sector can come forward to help in the development of industries in this State. And so far as the State is concerned we have tried in every way possible to help the development of industires. We have helped the private industries to obtain licences. We have helped them to get clearance for capital goods and foreign exchange. We have also assisted them through the Madras Industrial Investment Corporation with equity finance in cases where it is difficult to raise large amounts. The notable instance is that in which the Madras Industrial Investment Corporation has taken shares to the tune of Rs. 1 crore in the paper industry. At the beginning of the Second Five-Year Plan, nobody 4-50 p.m.
even whispered that Madras had a chance of having a paper plant of 50 to 60 tons per day. We are happy to find that entrepreneurs are coming forward in large numbers now to take advantage of the facilities offered to start industries in this State. I may also mention in this connection that a number of foriegners who have called on me have stated that they are willing to come in for collaboration with Indian industrialists, particularly with industrialists who are willing to start industries in Madras State. Though it was greatly flattering to the Government, I think it is a tribute to the people in the State and also to the workmen in the State. When I asked them why they had a preference for Madras State, they gave me three reasons. The first was that there was a stable and efficient administration, the second was that there was a disciplined labour force, and the third was the degree of technical skill acquired by workmen in this State was far better than any they had come across elsewhere.

Sri MOHAMED RAZA KHAN : What was the Hon. Minister's first reaction to these?

The Hon. Sri R. VENKATARAMAN : My reaction was to give them a cup of tea (laughter). Therefore, Sir, I cannot but take this opportunity, because we envisage a larger participation of the private sector in the industrial development of the State during the Third Five-Year Plan, to urge on them the need to take steps betimes to act as quickly and energetically as possible to help in the rapid progress of the industrialisation of this State.

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Sir, the one question which has been raised by the Leader of the Opposition was touched by me at the opening of this debate, namely, the resources. I think it is good that I make a reference to it again. We have tried to calculate what would be the order of investment the Madras State would be called upon to make in the Third Five-Year Plan. We have made tentative calculations which show that we have raised about Rs. 90 crores in the current Plan over five years. We have now increased the salaries of our employees. Modest as these increases may be, they are expected to cost Rs. 35 to Rs. 40 crores over the next five years. Taking all these factors into consideration, it has been roughly estimated that only between Rs. 70 and Rs. 80 crores can be raised by this State towards the Third Plan. I am happy to inform this House that our revenues are showing a trend towards better returns and larger returns. Our sales tax revenues are going up, not because the rates have been raised, but because there has been a larger turnover of business and trade in this state. Sir, at the beginning of the Second Plan, our Central Sales Tax was only Rs. 90 lakhs. That means roughly about Rs. 90 crores worth of goods were sent by Madras to other States. The Central sales tax is one per cent. I am happy to say that last year, that is, 1959-60, the final return of Central sales tax was Rs. 220 lakhs, which means Rs. 220 crores worth of goods have been sold by Madras State to other States in this country. Sir, this is really a marked improvement in our trade. If this trend is kept up, we need not be afraid of the resources. If trade and industry develop in the way in which we want them to go forward certainly we can hope that the return from this very tax would be able to meet at least a major part of the resources and the needs of the Third Plan. It is our view that even with regard to the Central revenues, if the administration of the taxes is tightened up and if better collection of income-tax and other taxes is attempted, we would be able to recover more even with the existing taxation. Therefore, Sir, to imagine immediately that all the extra expenditure that we propose in the Third Five-Year Plan will be met only in the form of fresh taxation would be rather a pessimistic view to take.

Sir, I do not want to take much more time of the House. I shall briefly touch on some of the points raised by other members. I would pay my tribute to Sri Raza Khan for having pin-pointed the projects which should be given high priority, and I am glad to say that the Government are accepting his amendment.

The next point is about handlooms. The Government have done their utmost to preserve, protect, and promote the handloom industry in this State. Those engaged in the industry know how from time to time we have been advancing them loans and even trying to get rebate on sales of handloom cloth, and what we have proposed to do in the Third Plan. I expect that if the Handloom Finance Corporation comes into existence, it will go a long way to relieve the difficulties faced by the handlooms in the field outside co-operatives. To-day they do not have any facility, and they do

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not enjoy any of the benefits of the cess fund. It has been the firm view of the Madras Government and they have never ceased pressing it upon the Handloom Board that some measure of help should be given to the handloom weavers outside the co-operative fold, and we expect that this scheme will be accepted by the Planning Commission.

Then, Sir, there were certain references to small-scale industries. While we emphasised the schemes in the Third Plan in a separate booklet with regard to large and medium industries, we have also dealt at length with the programme of small-scale industries. Our programme of development of the industrial estates, the programme of giving assistance to the small industires under the provisions of the State Aid to Industries Act, and the facilities which we intend to give by way of supply of machinery by hire-purchase and so on, are all detailed in this. The Madras Government have always laid great emphasis on the small-scale industries as an ancillary development to large-scale and medium-scale industries. We have every reason to be proud of the industrial estates which we have brought into existence. It is too early to say that the scheme is finalised. It is not unlikely that even the United Nations Seminar on Industrial Estates may be held at Guindy in Madras. That has been the reputation which the Guindy Industrial Estate has achieved in the World. Therefore, I want to assure hon. Members that the small-scale industries will continue to get all the assistance which it has got in the Second Plan and also will probably get 2 to 2½ times more during the Third Plan period.

Sir, Sri Kosalram raised a point about mineral survey in this State. So far as the mineral survey is concerned, I am happy to tell this House that Madras State is one of the few States in India which has a separate geological survey of its own. Apart from the Geological Survey of India, the Madras State Government have got a geological survey department, and it is trying to do its best. I know that it is inadequately staffed and that it has not got the necessary equipment to carry out all the projects which we have in hand. But then, Sir, geologists cannot be manufactured overnight. The Vice-Chancellor will agree with me that it is more difficult to get a geologist of good stature to-day than even a hundred Ministers. The second difficulty with regard to geological survey is the absence of drilling equipment and other technical equipment. They are not available in this country, and we have to depend on foreign countries for the geological equipment necessary for the Geological Department. If there is any delay or if there is not the same rate of progress in the geological survey, it is not again due to any want of emphasis by the State Government but due to circumstances entirely beyond the control of the Government 5 p.m.

Lastly, Sir, Dr. Chidambaranathan dealt with Education. He commented that a sum of only thirty lakhs of rupees had been provided for the starting of a second University in Madras. I wish to repeat that this is only a token provision. The Government are well aware that no University can be started with thirty lakhs of rupees,

The Government do not want to start any University without adequate resources and without all the necessary equipment and facilities like libraries, laboratories and so on. There is no point in merely trying to start a few Universities in name. They must be real and substantial. The Government are well aware of that, and therefore, they contemplate that the investment required for another university would be of the order of more than a crore of rupees. But they have made only a token provision here.

I have roughly dealt with some of the major points and if I have omitted reference to other more useful and important suggestions made by Members, it is due to want of time. I trust the House will excuse me. Now, I suggest that the House might accept Mr. Raza Khan's amendment and adopt my motion.

MR. CHAIRMAN : The question is—

"*Add* the following at the end :

and on such consideration, this House urges that emphasis be laid on the following items for implementation in Madras State in the Third Five-Year Plan—

1. Steel Plant and Lignite Project,

2. The utilization of surplus waters of the neighbouring States for the mutual benefit of the States concerned,

3. The Development of Tuticorin as a major port as a part of the Sethusamudram Project,

4. Nuclear Power Plant,

5. Oil Refinery."

The amendment was put and carried.

MR. CHAIRMAN : I shall now put the original motion, as amended, to vote.

"That under rule 21 (3) of the Madras Council Rules, the taken into consideration, and on such consideration, this House urges that emphasis be laid on the following items for implementation in Madras State in the Third Five-Year Plan—

1. Steel Plant and Lignite Project;

2. The utilization of surplus waters of the neighbouring States for the mutual benefit of the States concerned;

3. The Development of Tuticorin as a major port as a part of the Sethusamudram Project;

4. Nuclear Power Plant;

5. Oil Refinery."

The motion was put and carried.

SRI MOHAMED RAZA KHAN : Sir, may I make a submission? After sixty minutes' speech, the Hon. Leader of the House seems tired. We may take up the second Bill first and the Bill the Hon. Leader of the House is in charge of may be taken up next.

MR. CHAIRMAN : I think there is no objection.

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(3) MOTION UNDER RULE 21 (3) OF THE MADRAS COUNCIL RULES *re.* CHANGE IN THE ORDER OF BUSINESS.

THE HON. SRI R. VENKATARAMAN : I move :

" That under rule 21 (3) of the Madras Council Rules, the Madras Public Premises (Eviction of Unauthorized Occupants) Bill, 1960 (L.A. Bill No. 24 of 1960) be taken up before the Madras General Sales Tax (Amendment) Bill, 1960 (L.A. Bill No. 25 of 1960)."

MR. CHAIRMAN : The question is—

" That under rule 21 (3) of the Madras Council Rules, the Madras Public Premises (Eviction of Unauthorized Occupants) Bill, 1960 (L.A. Bill No. 24 of 1960) be taken up before the Madras General Sales Tax (Amendment) Bill, 1960 (L.A. Bill No. 25 of 1960)."

The motion was put and carried.

V—GOVERNMENT BILLS.

(1) THE MADRAS PUBLIC PREMISES (EVICTION OF UNAUTHORIZED OCCUPANTS) BILL, 1960 (L.A. BILL NO. 24 OF 1960).

* THE HON. SRI M. A. MANICKAVELU : Sir, I move :

" That the Madras Public Premises (Eviction of Unauthorized Occupants) Bill, a 1960 (L.A. Bill No. 24 of 1960), as passed by the Legislative Assembly, be taken into consideration."

Unauthorized occupations in lands which are the property of Government are dealt with under the Madras Land Encroachment Act, 1905. This Act provides amongst others for levy of assessment and for the levy of penalty after notice, and empowers the Collector to summarily evict the encroachments and forfeit any crop or other product raised on such land. Before summarily evicting an encroacher, a notice under section 7 has to be served on the encroacher to show cause against proceedings under those sections, This procedure was devised in 1905 and was found adequate to check unauthorized occupation of Government lands in the circumstances then prevailing.

The conditions have now changed considerably. Due to many causes like congestion of population in the Cities, Towns and other industrial and commercial places, unauthorized occupation of the Government land is on the increase. In some cases there are organized attempts to occupy Government lands suddenly and in large numbers overnight. The procedure laid down in the Land Encroachment Act is inadequate and wanting in speed to counteract such sudden and organized attempt to occupy and squat on Government lands both in the Municipalities and Panchayats and in the

* Printed as Appendix I on pages 274–278 infra.

City of Madras. At present, the occupation of Government lands comes under three categories, viz., (1) unobjectionable, (2) unobjectionable for the present but may become objectionable in the future and (3) objectionable. The existing provisions of the Act are fairly adequate for dealing with occupations coming under the categories (1) and (2). But in respect of objectionable cases of encroachment requiring immediate eviction, some measures to quicken the process of eviction are necessary. Such unauthorized occupations create slums and are a source of danger to public health and sanitation. Immediate eviction of such occupations is necessary not only in the interest of public health but also to prevent the growth of further slums. All of us may be aware of the peculiar phenomenon that is developing amongst the encroachers of late, viz., to construct huts and create slums overnight on Government lands which are required for public and plan purposes. It will be very difficult to tackle the slum problem, if the present tendency is not curbed at the initial stage itself. The provisions in the Madras Land Encroachment Act, 1905, which were enacted more than five decades ago, are quite inadequate, under the changed circumstances. Some measure is, therefore, essential to arrest the increasing growth of unauthorized occupations which are highly objectionable. The Bill seeks to deal with only encroachments which are highly objectionable, and whose immediate eviction is more important in the interest of public health and sanitation. The Bill has been prepared with the main object to provide for summary eviction and removal of encroachment on Government lands by construction of huts, bunks, etc., which spring up unauthorizedly and very quickly, and which are detrimental to public health and sanitation.

The Bill is a simple one and I request the House, Sir, to accept the motion.

MR. CHAIRMAN : Motion moved :

" That the Madras Public Premises (Eviction of Unauthorized Occupants) Bill. 1960 (L.A. Bill No. 24 of 1960) as passed by the Legislative Assembly, be taken into consideration."

SRI MOHAMED RAZA KHAN : Mr. Chairman, one could appreciate the object behind this Bill. But I am sorry to say that the purposes for which this Bill has been brought in cannot be carried out. This Bill is intended for prevention of slums. I am rather inclined to say that this Bill will only help the preservation of slums. I quite agree that slums are being created particularly in the City of Madras. I confine my remarks to the City of Madras and not to other towns. The other day, the Hon. Leader of the Opposition referred to the slums created around the Ophthalmic Hospital. When I happened to pass that day a few days back, I stopped my taxi and had a look at the place. It is very horrible. Therefore, from the point of view of removing such slums this Bill is welcome. But if we take the practical side of it, it does not seem to be a welcome measure. As far as conditions in the City of Madras are concerned, we must be able to see one thing. Persons

engaged in various avocations—domestic servants, mill workers and casual labourers alike—have developed a tendency to stay put. They want to remain where they are. Even if better places are offered to them, they do not like to go there because they are anxious to live near their work-spots. We know that the Government have put up some tenements near San Thome and the rent is not very high or exorbitant. Many middle-class people would simply jump at the offer, if they are permitted to occupy these tenements. Still the slum-dwellers do not like to go there because it is far away from the places of their work. So, a mere Bill of this type will not achieve the purpose. The other day our elder statesman, Mr. C. Rajagopalachari, wrote an article in "The Mail" about slums. We still remember how much interest he took in this work and we also remember how the present Revenue Minister, then in his Cabinet, piloted a Bill providing for the purchase of slum lands. Since then, not much has been done. The Hon. Minister for Revenue could give us an account of how many slum lands have been purchased, how much money has been spent and how much slum-dwellers have been rehabilitated, after the passing of that Act. It is very easy, Sir, to have a Bill like this passed. But still it will remain a dead letter. Sir, the position to-day is, unauthorized occupation is resorted to by 200 to 300 families. It is not the case of an individual in which case we can easily evict him. If we evict these families, they will ask: 'Where are we to go?' These men with their wives and children and a dozen and more relatives including their sisters-in-laws and mothers-in-law cannot be evicted so easily. It will be cruel if we use force. So, this Bill, when passed, will lead to a good deal of agitation. Therefore, unless and until you have a policy of rehabilitation for these people who are in unauthorized occupation of land, there cannot be any progress. We 5-10 p.m. want this point to be made clear. When I am on the subject, with your permission, Sir, I want to digress a little and say a few words about the Madras City Improvement Trust. I quite admire their grand schemes and big plans. But they are all intended for the middle-class people, either lower middle-class people or the top middle-class people. Nothing has been done so far as the slum-dwellers are concerned. I find some area has been ear-marked for this purpose in Kodambakkam or in Vyasarpadi or beyond those places. But the difficulty arises when people who have to work in the Harbour, or in Royapettah or Triplicane, are asked to go to those places. They find it difficult to walk such long distances to reach the places where they work and earn their livelihood. I am happy the Hon. the Minister for Industries is here now. I can bring this to his notice that so far no improvement has been effected in their condition by the City Improvement Trust. My submission is, instead of taking up plots in Kodambakkam or Vyasarpadi or ultimately in Chingleput or Tambaram, it would be good if the City Improvement Trust could take up the existing slums which are mostly Harijan colonies and improve them and do something for the people in the existing place itself; it would go a long way in satisfying them. I know the Hon. the Leader of the House is smiling.

He will say that the main difficulty is that they are not prepared to pay even the basic rent. True, it is a point that has to be considered because the Government constituted as they are cannot be put to so much of expenses on the improvement of these existing slums. But I rather feel it would be much better, and surely all the hon. Members and especially the Members on the Opposition side, will not grudge the Government of Madras losing Rs. 10 or Rs. 15 per house, as it is very necessary that the people should be provided with houses in the existing places themselves.

THE HON. SRI R. VENKATARAMAN : The economic rent will be Rs. 25. Government are prepared to give it for Rs. 10. I do not know what further concession my hon. Friend wants the Government to make.

SRI MOHAMED RAZA KHAN : While I congratulate the Government on this concession, even if they have to reduce it to Rs. 5 it is much better to lose something and allow the dwellers to stay there itself. The difficulty is they do not want to leave the area where they have been living. They are now living in small huts and paying rent to the Government or private parties. If small houses at a cheap cost are built in those places and given to them on a rental of Rs. 4 or Rs. 5 a month it would be greatly welcomed by them. But this cannot happen as long as the City Improvement Trust is not prepared to change its attitude. It should not think in terms of 50 or 60 acres for development purposes. It will solve the problem of only the middle-class people or the richer class of people. It would not solve the problem of the slum-dwellers. Unless and until the slums are developed as I have suggested, I am sure all the orders passed by the Government will only remain paper orders. The Government may pass Bills, but the provisions of the Bills cannot be enforced.

MR. CHAIRMAN : The hon. Member's time is up.

SRI MOHAMED RAZA KHAN : I will make one or two points in about 50 seconds (laughter) and finish, Sir.

Sir, in clause 2 competent authority is defined. (AN HON. MEMBER : Are you opposing or supporting the measure?) It is not a question of opposing or supporting the measure. I am pointing out only the difficulties. It is not stated who that competent authority is. It would be better to state who the competent authority is, either the Revenue Officer or the Police officer, whoever he is. The person concerned will have to quit if the authorised officer passes an order that the occupation is unauthorized. But the Government have shown some mercy to them and said that they will have to quit within ten days if it is a building, or three days if it is land that is unauthorizedly occupied. There is also a right of appeal and the time allowed is one month. This requires clarification since I am only an ordinary man and not a lawyer. I am unable to understand the implication of this provision. The time

allowed for appeal is one month. But what happens if the competent authority passes the order and executes it within the time stipulated, that is, ten or three days as the case may be? What becomes of the right of appeal then? Generally when an order is passed, time is given for appeal against that order and till that time elapses no action is taken. But here the competent authority may pass orders and execute them and still there is a right of appeal.

THE HON. SRI R. VENKATARAMAN : It is only in cases where there is dispute about ownership and all that. Certainly Government must not take action in those cases. But where the land belongs to the Government and the unauthorized occupation takes place now or within six months of the passing of the Act, what is the point of appeal except an appeal to mercy? That is why it is said that it is not necessary.

SRI MOHAMED RAZA KHAN : If really the Government are satisfied that it is their land and the order is passed, I take it from the Hon. the Leader of the House that there is no right of appeal. However it would be better for the Government to clarify the point, and say in what cases there will be the right of appeal and in what particular cases there will be no right of appeal.

MR. CHAIRMAN : The hon. Member has taken much time. We have to get through another Bill.

SRI MOHAMED RAZA KHAN : After all it will not take more than 15 minutes.

MR. CHAIRMAN : The hon. Member does not know how many more have given their names to me for participating in this debate.

SRI MOHAMED RAZA KHAN : In that case I resume my seat, Sir.

* VIDWAN T. MUTHUKANNAPPAN: தலைவரவர்களே, இந்த மசோதாவை நான் மனப்பூர்வமாக ஆதரிக்கிறேன். இந்தச் சமயத்தில் ஒரு பழமொழி ஞாபகத்துக்கு வருகிறது. "திறந்த வீட்டில் நாய் நுழைவதுபோல்" என்று சொல்வார்களே அதுதான். இனி அது கூட மாறிப்போய், "காலி மனையில் காலிகள் நுழைவது" என்று சொல்வது பொருத்தமாய் இருக்கும் என்று தோன்றுகிறது. எந்தச் சமயத்திலும் எந்த விதத்திலும் எந்தக் காலியிடத்தையும் ஆக்கிரமித்துக் கொண்டு குடிசையைக் கட்டிக்கொண்டு குடியிருக்கத்தான் எங்களை ஆண்டவன் படைத்திருக்கிறான் என்று ஒரு சிலர் திட்ட வட்டமாக நினைத்துக்கொண்டு இருக்கிறார்கள். அந்த மனப்பான்மை மாறவேண்டும். நமது வீட்டுக் கொல்லையில் ஒரு அங்குலம் இடம் இருந்தாலும், பொழுது விடிந்து பார்த்தால் அதில் ஒரு டஜன் குடிசைகள் கட்டப்பட்டு இருக்கும். அத்தகைய மனோபாவம் மக்களிடம் வளர்ந்து கொண்டு வருகிறது. இந்தச் சட்டம் அமுலுக்கு வந்ததிலிருந்து ஆறுமாதங்களுக்கு முன்பு குடியேறியவர்களைப் பாதிக்காது.

ஆறுமாதங்களுக்குள்ளாகவும் சட்டம் அமுலுக்கு வந்தபிறகும் ஆக்கிரமிக்கிறவர்களை மட்டும் தான் பாதிக்கும் என்று இருக்கிறது. இதைப் பார்த்தால், அரசாங்கம் அவர்களிடம் போதுமான அளவு கருணை காட்டுகிறது என்பது புலனாகிறது.

இப்படிக் கண்ட இடத்தில் குடிசைகள் கட்டி அவற்றை வாடகைக்குவிட்டுப் பிழைப்பதையே ஒரு பிழைப்பாகக் கொண்டிருக்கிறார்கள் சில பேர்வழிகள். இதை ஒருவித வியாபாரமாக நடத்துகிறார்கள். இதை நீங்கள் ஆழ்ந்து கவனிப்பீர்களேயானால் தெரியும். ஒருவர் 50 ரூபாய் போட்டு ராயபுரத்தில் ஒரு குடிசை கட்டுவார். அதே நபர் அந்தக் குடிசையை 10 ரூபாய் வாடகைக்கு விட்டுவிட்டு வியாசர்பாடியில் மற்றொரு குடிசை கட்டி வாடகைக்கு விட்டு மறுபடியும் சைதாப்பேட்டையிலும் இன்னொரு இடத்திலும் குடிசைகள் கட்டி வாடகைக்கு விடுவார். பிறகு அடையாற்றில் பக்கிங்ஹாம் கால்வாய் கரையில் ஒரு குடிசையைக் கட்டுவார். இப்படியாக ரூ. 250 செலவு செய்தால் ஒருவர் சுலபமாக மாதம் ஒன்றுக்கு ரூ. 50 வாடகை வாங்கும் நிலைமை இருக்கிறது. இப்படிப் புதுமுறை வியாபாரமே நடக்கிறது.

5–20 p.m. இந்தமாதிரி கண்டபடி குடிசைகளைக் கட்டிக்கொண்டு விடுவதில் ஒரு கெடுதி இருக்கிறது பொதுமக்களுக்கு. எப்படி என்றால், அதனால் மக்களின் சுகாதாரம், சுத்தம் பாதிக்கப்படுகிறது. அங்கே வாழ்கிற மக்கள் எல்லாம் நோயின் கொடுமைக்கு ஆளாக வேண்டியிருக்கிறது. அந்த slum-கள் இருப்பதால், அவை நோய்க்கெல்லாம் காரணமாக இருக்கிறது என்று தான் இந்தச் சட்டம் கொண்டு வந்திருக்கிறார்கள். இந்தச் சட்டத்தில் 6 மாதத்துக்குள்ளாக வந்தவர்கள் என்பதற்குப் பதில் 6 வருஷத்துக்கு முன்புவரை இருந்தவர்கள் என்று போட்டால் கூடச் சரியாய் இருக்கும் என்று சில சமயம் நினைக்கத் தோன்றுகிறது. கனம் ராஸா கான் சொன்னார்கள். இது 'Prevention of slums' அல்ல, Preservation of slums என்றார். அது ஒருவிதத்தில் சரி என்று தான் தோன்றுகிறது.

முக்கியமான ஒன்றைக் கவனிக்க வேண்டும். இதற்குக் காரணம் என்ன என்று பார்க்க வேண்டும். கிராமத்திலுள்ள மக்கள் எல்லாம் நகரங்களுக்கும், நகராட்சிக் கழகங்களுக்கும் (municipalities) வந்து குடியிருக்கிறார்கள். இதை முதலில் சரிப்படுத்த வேண்டும். உடலில் புண் இருந்தால் அதை நன்றாக முழுதும் ஆற்றி விடுவதுதான் நலம். இரணத்தை உள்ளே வைத்து விட்டுத்தைத்து விடுவதில் பலனில்லை. அது பிறகு உடல் முழுவதையும் பாதித்துவிடும். அது போல மக்கள் பல விடங்களிலிருந்தும் வந்து நகரங்களில் குடிசைகளைக் கண்டபடி கட்டிக் கொள்வதன் காரணம் என்ன என்பதைக் கண்டறிந்து அதனைக் களைய முயல வேண்டும். இனிமேல் தொழிற்சாலைகள் நகரங்களில் ஏற்படவிடக் கூடாது. நகராட்சிகளிலும் ஏற்படவிடக் கூடாது. கிராமங்களிலும் நகரங்களிலிருந்து தொலை

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தூரங்களிலுள்ள இடங்களிலும் தான் ஏற்படுத்த வேண்டும். தொழிற்சாலைகளைத் தனியார் ஏற்படுத்த வேண்டுமென்றால் நகரங்களுக்கு வெளியேதான் ஏற்படுத்த வேண்டும். தொழிலாளிகளுக்கு வீட்டு வசதிகள் செய்ய வேண்டும் என்ற நிபந்தனை ஏற்படுத்த வேண்டும். அப்படி இருந்தால் தான் தொழிற்சாலை ஏற்படுத்த அனுமதி தரவேண்டும். அப்படிப்பட்ட சட்டம் இருந்தால் தான் மக்கள் நகரங்களில் வந்து குடியேறி நரகமாக்குவதை தடுக்க முடியும். இதை அரசாங்கம் செய்ய வேண்டுமென்று கேட்டுக்கொண்டு இந்தச் சட்டத்தை ஆமோதித்து முடித்துக்கொள்ளுகிறேன்.

* THE HON. SRI M. A. MANICKAVELU : Sir, I concede that by passing this Bill, we cannot achieve all that we contemplate by way of improving the slums and making them very sanitary. What is contemplated is that the squatters or encroachers within six months before the date of the passing of the Act and encroachers after the passing of the Act will be evicted. We are not dealing with the old encroachers. There is already an Act to deal with encroachment, but its scope is limited. That is why, we have brought in this Bill. Under the old Act, we can contemplate taking action against the other encroachers. This is being done through another scheme of finding developed plots for the encroachers. For instance, in North Madras there is a proposal to acquire about 2,000 acres and provide developed plots. So also in South-East Madras, another area of about 2,000 acres will be taken up. Whether it will be possible to build cheap tenements, is only at the consideration stage. Now the Home Minister, who has returned from Russia, has said that though so much was said about advancement in Russia there were still houses with mud wall. If it is put up in a neat and modern manner, I think we can make it satisfactory. That is a long term phased programme. Now, immediately there are so many projects to be taken up. For instance, the development of the engineering college in Adyar. There have been a number of squatters there. We find it very difficult to evict them. If we are to adopt the provisions of the old Act, in the first place we will have to give notice to the persons concerned. First we must find the men out. It is very difficult to find them. There is no doubt scope for what we call substitute service. We can resort to this only after exhausting all the provisions in regard to the finding out of the men. It takes a long time. This Bill will apply not to the people who are really affected but only to those about whom my friends spoke. They want to exploit. There are organizations, which are backed by people with some resources, and they ask people to go and squat on Government land and try to make money out of it. This is an obstacle to our schemes of development. That is why, it is necessary that we have to adopt provisions to expedite the eviction of encroachers.

As regards appeal, Sir, no doubt an appeal is provided for. But unless there is a *prima facie* case, they cannot appeal. In real and

genuine cases, there is scope for appeal. Provision for stay is also there for all real cases where there is hardship. Then we have the right of suit also. All these precautions are taken. After all, what is this for? It is for taking action against people who go and squat on another man's land. No doubt it may be Government land. But still they have no right. Somehow it has been allowed, and people are doing it, especially when we want land for our own purposes, which ultimately will make for the progress of the country and help the squatter also in an indirect way to earn more. So considered from all these points of view, I think hon. Members will agree that to a small measure like this which applies to cases of six months' encroachment and less there cannot be any real objection. I hope hon. Members, after hearing my explanation, will accept my motion.

SRI K. T. KOSALRAM : Will this be applicable to the whole State of Madras or the City of Madras only? There are thousands of people who will be affected.

THE HON. SRI M. A. MANICKAVELU : I may inform the hon. Member, as I informed the other House, that in the first instance, it is proposed to apply this Act to the City of Madras and important municipalities having new industrial development. It would not affect the mufassal area very much.

MR. CHAIRMAN : The question is—

"That the Madras Public Premises (Eviction of Unauthorized Occupants) Bill, 1960 (L.A. Bill No. 24 of 1960), as passed by the Legislative Assembly, be taken into consideration."

The motion was put and carried and the Bill was taken into consideration.

Clause 2.

MR. CHAIRMAN : The motion is—

"That clause 2 do stand part of the Bill."

SRI MOHAMED RAZA KHAN : Sir, in clause 2 (*g*), it is stated—

"'unauthorized occupation' in relation to any public premises, means the occupation, within a period of six months immediately before the date of the commencement of this Act . . .". As far as the person is concerned, it is very easy to find him out. But how will the department exactly find out that this unauthorized occupation is within a period of six months immediately before the commencement of this Act? What is the machinery they have got to get this information and how will they decide whether the information is correct or not? Those who are in unauthorized occupation will say that they are there for the last so many years. The Government cannot get evidence. I think this is a bit of loose phraseology. I hope the Hon. Minister will clarify this point.

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THE HON. SRI R. VENKATARAMAN : Sir, actually there is a census of these hut dwellers, and revenue records have this information. Recently I had a case in which some people had occupied the land allocated for our engineering college extension. Then all the people said that they had been living there for ten years and fifteen years, but actually when we referred to the Collector's records we discovered that only 126 people had lived there for more than six months. Therefore, it is not very difficult to find out who lived there for more than six months.

Clause 2 was put and carried.

Clauses 3 to 10 were put and carried.

Clause 1 was put and carried.

The Preamble was put and carried.

THE HON. SRI M. A. MANICKAVELU : Sir, I move—

" That the Madras Public Premises (Eviction of Unauthorized Occupants) Bill, 1960 (L.A. Bill No. 24 of 1960), as passed by the Legislative Assembly, be passed."

MR. CHAIRMAN : The question is—

" That the Madras Public Premises (Eviction of Unauthorized Occupants) Bill, 1960 (L.A. Bill No. 24 of 1960), as passed by the Legislative Assembly, be passed."

The motion was put and carried and the Bill was passed.

(2) THE MADRAS GENERAL SALES TAX (AMENDMENT) BILL, 1960 (L.A. BILL NO. 25 OF 1960).

* THE HON. SRI R. VENKATARAMAN : Sir, I move—

" That the Madras General Sales Tax (Amendment) Bill, [a] 1960 (L.A. Bill No. 25 of 1960), as passed by the Legislative Assembly, be taken into consideration."

Sir, the working of the Madras General Sales Tax Act, 1959, during the past one year and more has given rise to several problems connected with the administration of the Act necessitating amendments to certain provisions in the Act. The present Bill embodies the amendments found necessary. Now I shall proceed to explain the scope of the several clauses of the Bill.

The High Court of Madras has held that sales tax cannot be levied on works contracts relating to movable properties with no element of sale in them. The Government have, therefore, decided to omit the provisions in the Act relating to works contracts on movable property I am sorry, my esteemed Friend, Mr. Balasubramanya Ayyar is not here. When the Bill was under discussion in the Select Committee I informed the Committee that the matter

a Printed as Appendix II on pages 278–283 infra.

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was under consideration by the High Court and that if the High Court decided that works contracts should not be charged sales tax,
5-30 p.m. then we would remove it. So, in pursuance of the promise that I gave, I have brought forward this amendment for the removal of the levy of sales tax on works contracts. Clause 2 of the Bill provides for this.

The intention behind section 3 (3) of the Act was that the manufacture should be inside the State and that such manufacture should be for the purpose of sale irrespective of the fact whether the sale is inside our State or outside. Here I may explain how in the phraseology a slight error crept in. We used the words 'manufacture for sale inside the State'. This gave a wrong impression that the sale itself should take place inside the State. Our idea is that the manufacture must be inside the State. Sale can be inside or outside the State. So, we now use the words 'manufacture inside the State for sale'. It was not the intention to impose a restriction that the sale of finished products should be completed within the State. To give effect to the intention correctly, it is proposed to amend section 3 (3) of the Act suitably. Clause 3 of the Bill provides for this. It is also proposed to give retrospective effect to this clause from 1st April 1959, that is, the date of the commencement of the Madras General Sales Tax Act, 1959. Clause 1 (2) of the Bill provides for this. The object in giving it retrospective effect is that that was the intention of the Legislature and the Government. Nobody should be charged wrongly on the ground that the sale did not take place within the State.

Sub-section (1) of section 20 of the Madras General Sales Tax Act, 1959, lays down that every dealer whose total turnover in any year is not less than Rs. 7,500 shall, and any other dealer may get himself registered under that Act. Section 20 (2) of the Act lays down that certain classes of dealers specified in that section should get themselves registered under the Act irrespective of the quantum of the total turnover. The registration under the Act is mandatory. There is no power for the Government to grant any kind of exemption from the operation of the provisions relating to registration under the Act. It has been found necessary to give exemption from registration under the Act in the case of certain dealers who are not liable to pay sales tax by virtue of exemption from sales tax granted by the Government or to enhance the total turnover limit in the case of certain dealers. The case in point was that the vegetable dealers were given exemption up to Rs. 30,000 last year from sales tax. But they had to register themselves even if they had transactions only up to Rs. 7,500. The Government had no power to exempt them from registration or to enhance the limit for purposes of registration. It is accordingly proposed to take power for this purpose. Clause 4 of the Bill accordingly provides for the grant of such exemptions or enhancement of the total turnover limit by notification, subject to such restrictions and conditions as may be specified in the notification. The clause also provides for specifying the area in which the concession will apply for cancellation or variation of the concession. This clause is proposed to be given retrospective effect from 1st April 1959, i.e., the date of commencement

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of the Madras General Sales Tax Act, 1959. We have not collected any registration fee from a number of dealers exempted from registration. So we propose to give retrospective effect so that all our acts might be validated.

Rule 25 of the Madras General Sales Tax Rules, 1959, provides for the issue of permits to the dealers themselves or to travelling salesmen or representatives of the dealers who sell goods in places other than those mentioned in the certificate of registration of the dealers. The Committee on Subordinate Legislation has pointed out that this rule is beyond the rule-making powers conferred by the Act. As provisions similar to those contained in this rule are necessary to prevent suppression by dealers of transactions effected through travelling salesmen and representatives it is proposed to incorporate the necessary provisions in this regard in the Act itself. This is done in pursuance of the recommendation of the Committee on Subordinate Legislation. New section 21-A proposed to be inserted by clause 5 of the Bill contains the provisions in this regard. It is also proposed to make the failure to take out a permit under the proposed new section 21-A an offence punishable with a fine up to Rs. 200 as provided in section 45 (1) for certain other forms of offences. Now there is fine provided for if they do not keep proper certificates and forms. It is intended to provide for the same punishment here also. Clause 11 contains the provision in this regard.

The Government have no power at present under the Act to require a dealer to keep and maintain any specified record found necessary to prevent evasion of tax. It has been brought to the notice of the Government that dealers in jewellery are likely to evade tax by claiming that jewels sold to customers are made to order with the gold or silver supplied by the customer. To prevent evasions of this kind it is considered necessary to prescribe the maintenance by the dealers of an order-book or any other record that may be found expedient. Clause 6 of the Bill provides for the amendment of section 40 of the Act in this regard. Clauses 7 and 12 provide for consequential amendments to sections 41 and 57 of the Act respectively.

Sections 43 and 44 of the Madras General Sales Tax Act, 1959, require the owner or other person in charge of a boat or a goods vehicle to submit to the Commercial Tax Officer, having jurisdiction over the area in which the goods are delivered, copies of the log book, goods vehicle record or trip sheet, as the case may be, with such further particulars and within such time as may be prescribed under the Act. Rule 35 (1) of the Act requires the owner or other person in charge of the goods vehicle or boat, among other things, to carry with him a goods vehicle record, a trip sheet, or a log book, as the case may be and also a bill of sale or a delivery note. It has been held that rule 35 (1) is beyond the rule-making powers conferred by the Act and that no section specifically empowers the Government to prescribe the documents that should be carried by the person in charge of a goods vehicle or boat. Often the log book

or the goods vehicle record or trip sheet which the goods vehicles or boats carry does not contain the full particulars of the consignor and the consignee of the goods with the result that the object with which sections 43 and 44 were enacted, viz., to prevent evasion of tax in respect of goods transported by lorries and boats, is not achieved. Therefore, the provisions in rule 35 requiring the possession by the person in charge of a goods vehicle or a boat of bill of sale or delivery note containing the full particulars of the consignor and the consignee are necessary in the interests of checking the evasion of tax. It is accordingly proposed to make it obligatory on the part of the owner or other person in charge of a boat or goods vehicle to carry with him a bill of sale or delivery note relating to the goods, besides the log book, trip sheet or the goods vehicle record Sections 43 and 44 of the Act are accordingly proposed to be substituted by new sections 43 and 44 which give effect to the requirements of the Government. Clauses 9 and 10 contain the provisions in this regard. Clause 8 provides for the amendment of section 42 (3) of the Act so as to bring it in line with the new sections 43 and 44.

Clause 13 (1) of the Bill seeks to rectify certain errors in punctuation in the existing entry in item 23 of the First Schedule to the Act. A comma has been omitted.

The intention behind item 24 in the First Schedule to the Act is to exclude from the scope of that item ' milk ' falling under section 3 (1) of the Act which is not merely fresh milk but all liquid milk, whether fresh or not. What we intended was that not only fresh milk but even reconstituted milk and other kinds of liquid milk should have the benefit of one per cent tax. But as the provision now stands, other milk than fresh milk is liable to a higher rate of tax. We want to extend the benefit to other kinds of milk but not to milk powder. It should be liquid milk like fresh, toned or reconstituted milk. Hence we propose to omit the word ' fresh ' from item 24. Clause 13 (2) provides for this.

Under item 59 of the First Schedule to the Madras General Sales Tax Act, 1959, 'wattle bark including dyeing and tanning materials ' is liable to single point tax of 3 per cent at the point of last purchase. With reference to representations seeking clarification of the materials covered by that item, the Government have decided to specify only avaram bark, konnam bark, wattle-bark, wattle extract, quobracho and chestnut extract as items liable to tax at single point under the item. With effect from 1st April 1960, the Government have reduced the rate of tax on wattle bark including dyeing and tanning materials from three per cent to one per cent and this reduction is also embodied in the amendment to this item. Clause 13 (3) provides for these proposals.

Under item 6 (*a*) in the Second Schedule to the Madras General Sales Tax Act, 1959, groundnut is liable to a single point tax of two per cent at the point of first sale in the State. The experience gained from 1st April 1959, shows that the levy of tax at the point of first sale in respect of groundnut has caused difficulties.

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As the commodity is liable to single-point tax at the point of first sale, growers of groundnuts who are in thousands in the districts and who generally sell them in the shape of kernels, become liable to tax and registration under the Act regardless of the quantum of their turnover. Sir, with them it has been a case of falling from the frying pan into the fire. Instead of levying the tax on a limited number of oil crushers and expeller users, this was levied at the point of production on the thousands and thousands of producers, groundnut growers, which was not our intention and thousands of groundnut growers became also liable for registration and for taxation. This is not what we wanted actually. Small growers even if they marketed one basket or a bag or a measure of groundnut became liable as a dealer to register themselves by paying Rs. 10 and they had to render accounts to the Sales Tax Officer for purposes of assessment. There is also administrative difficulty as the issue of registration certificates to several thousands of growers and also checking their accounts in the collection of tax will be a stupendous job. In order to mitigate the hardship to the growers the Government have decided to change the point of tax on groundnut from the first sale to the first purchase as was the case prior to 1st April 1959. The Government have also decided to reduce the rate of tax on groundnut from 2 per cent to 1 per cent. Under the new system the growers who sell their produce either unshelled or shelled will not be liable to pay tax as only the purchasers who will generally be the oil producers, will be liable to tax. Clause 14 of the Bill as passed by the Legislative Assembly contains the provision in this respect.

Sir, it is really a long series of amendments. Their acceptance is necessary either in compliance with the decision of the Court or in compliance with the decision of the Committee on Subordinate Legislation or with regard to the decisions already taken executively to reduce the rate of tax in several cases. Therefore there is nothing new or anything which imposes additional burdens on anybody. I therefore submit that this Bill may be taken into consideration.

MR. CHAIRMAN : Motion moved—

"That the Madras General Sales Tax (Amendment) Bill, 1960 (L.A. Bill No. 25 of 1960), as passed by the Legislative Assembly, be taken into consideration."

MR. CHAIRMAN : The hon. Member Sri M. Subbiah Chettiar will now speak. He should make a short speech.

* SRI M. SUBBIAH CHETTIAR: Only one minute Sir.

தலைவரவர்களே, கனம் மந்திரியவர்கள் இந்த வரியைப் பற்றிச் சொன்னார்கள். நிலக்கடலை சம்பந்தமாக மட்டும் பேசி சந்தேகத்தை நிவர்த்தி செய்துகொள்கிறேன். நிலக்கடலை உற்பத்தியாளர்களுக்கு அனுகூலம் பண்ணுவதற்காக இதுவரை இருந்த Sales tax -ஐ எடுத்துவிட்டு எண்ணெய் உற்பத்தி பண்ணுகிறவர்கள் மீது purcha e tax போடுவதாகச் சொல்

கிறார்கள். நிலக்கடலையை வாங்கி எண்ணெய் ஆக்கி விற்கும் போது மில்கள் 3 பெர் செண்ட் tax கட்ட வேண்டியிருக்கிறது. புது உத்திரவுப் பிரகாரம் 3-ம் 1-ம் மொத்தம் 4 per cent tax double tax கட்ட வேண்டியிருக்கும். அதை முன்னாலிருந்த Rebate System ஆக மாற்றிக் கொடுத்தால் நல்லது என்று சொல்லிக் கொள்கிறேன்.

SRI MOHAMED RAZA KHAN : Sir, the long speech and the explanation given by the Hon. the Leader of the House and the Minister in charge of Sales Tax, shows how important this Bill is. The House has no time to scrutinize the various provisions of the Bill in detail. At least in future it would be better if such Bills are brought in at an earlier stage so that the House may have the time to consider the various provisions of the Bill and their implications.

However, I wish to make one or two points and finish my speech in a minute. It does no credit to the Hon. Minister to say that because of the decision of the High Court they have to carry out these amendments with reference to the Sundaram Motors. In fact it was pointed out to the Government even at that time that they were going beyond the scope of the Act in including lorries in the process of manufacture.

THE HON. SRI R. VENKATARAMAN : It was at that time pending before the Supreme Court.

SRI MOHAMED RAZA KHAN : The Hon. Minister was himself convinced about it when the point was made by my hon. Friend Sri K. Balasubramanya Ayyar.

Sir, with regard to the tanning materials, the Government themselves have realized the need for reducing the rate of tax and I am thankful to them for reducing the rate from three to one per cent.

Sir, the Government are spending a good deal of money and are even granting loans and subsidies for new industries to come up in the interest of the State as a whole. That being so, I do not know why the Government are particular in recovering the greater part of the arrears of sales tax from the skins and hides merchants. I have referred to this already many times and I wish to refer to it again as briefly as possible. Because of a wrong impression the authorities did not collect the tax and under the same wrong impression the businessmen in this line did not pay the tax. The result was there was heavy accumulation of arrears of tax amounting to Rs. 50,000 or even Rs. 60,000 in some cases. After the cases were finally disposed of in the High Court and the Supreme Court, they were asked to pay the arrears. The result was they have been asked to pay the arrears. They have no liquid assets except the stock of materials. We are no doubt thankful to the Government—'Meherbani' they call it—for their kindness in allowing them to pay in 30 or 40 instalments. But I may tell the Government that

because of the insistence on the collection of arrears many of them have to go out of the business. They are not in a position to pay the arrears. If they go out of business there will be great unemployment and loss of production which earns for the Government the much needed foreign exchange. Government should show some sort of consideration for these people. I know of a case where a party had to pay arrears of Rs. 50,000 to Rs. 60,000. He had hardly Rs. 100 in cash and that was taken by the departmental officers and adjusted towards the arrears. There should be some limit and consideration shown to these people. The Hon. the Leader of the House might say that when discussing the particular Bill, I cannot bring in this general question. But I feel he should examine this and settle it once for all. It should not matter even if the Government have to lose a few lakhs of rupees. The business should be enabled to continue and employment should be there for these people. My hon. Friend Sri Patanjali Sastri the other day said it was not a mere question of trade, but it was a question of helping an industry which earned foreign exchange. The Hon. the Leader of the House might say : "Well, let them go to court and establish their right ". I can anticipate an argument like that from him. That is why I repeat that some consideration should be extended to them. Any number of people have come and represented to me. They won't go to the officers because they want to collect the tax willy-nilly. I know the difficulty of the Hon. Minister these days. But still I feel the Hon. Minister will conduct an exhaustive survey of the problem and see that some relief is given to them. Otherwise, I am positive that many of the people who have been in the business for a long time will have to go out of it for no fault of theirs, because the clarification about the levy was not made in proper time.

Otherwise I support the Bill, Sir.

*Sri B. K. NALLASWAMI: மன்றத் தலைவரவர்களே, இந்த மசோதாவை ஆதரிக்கும்போது நான் வருத்தத்தோடு ஒரு விஷயத்தைச் சொல்லிக் கொள்ளாமலிருக்க முடியவில்லை. சென்ற பட்ஜட் சமயத்தில் விற்பனை வரியைப்பற்றிப் பேசும் போது மண்பாண்டங்களுக்கு விற்பனை வரி வைத்திருப்பதைப் பற்றி விதிவிலக்குக் கேட்டேன். யோசிப்பதாகச் சொன்னார்கள். அதற்குப்புறம் சில மாதங்கள் கழிந்ததற்குப் பிறகு The Government do not see their way to exempt the mud pots from sales tax" என்று சொல்லிவிட்டார்கள். குடிசைத் தொழிலை ஆதரிக்கிறோம் என்றெல்லாம் சொல்லுகிறோம். கனம் Chief Minister கூட திருப்பூர் மாநாட்டில் கூட்டுறவு சங்கங்களை ஏற்படுத்துங்கள், வேண்டிய சௌகரியங்களைச் செய்கிறோம் என்று சொன்னதின் காரணமாக இந்த ராஜ்யத்திலே சுமார் 70 மண்பாண்ட கூட்டுறவுச் சங்கங்கள் ஏற்படுத்தியிருக்கிறோம். ஒவ்வொரு சங்கத்திற்கும் சுமார் 2,000 ரூபாய் வரும்படி வந்திருக்கிறது. அந்தத் தொகை முழுவதையுமே, பெரும்பாகத்தையே Sales tax என்று எடுத்துக் கொண்டு போய் விட்டார்கள். இப்போது கூட்டுறவு சங்கங்கள் அமைக்க

5-50 p.m. வேண்டும் என்று வருகிறவர்களை "வேண்டாம்" என்று சொல்லும் நிலையில் நான் இருக்கிறேன். இது கவனித்துச் செய்ய வேண்டிய விஷயம். மண்பாண்ட குடிசைத் தொழிலாளரைப் பாதிக்கும் விஷயம். மூன்று லட்சம் பேர்கள் நம் ராஜ்யத்தில் இத்தொழிலில் இருக்கிறார்கள். காய்கறி வியாபாரிகளைவிட 10 பங்கு அதிகமாக இருக்கக் கூடிய நிலையில் அவர்கள் விஷயத்தில் பாராமுகமாக இருப்பது மூன்று லட்சம் பேர்களையும் விரோதிகளாக்கவும், மாறுபட்டவர்களாக ஆக்கவும் நல்ல சந்தர்ப்பம் ஏற்படுத்தும் என்று சிறிது தயக்கத்தோடு எச்சரிக்கை செய்து, இதைச் செய்யாமல் இருப்பதால் எங்களைப் போன்ற பிரதிநிதிகளுக்குக் கஷ்டம் ஏற்படும் என்று வருத்தத்தோடு தெரிவித்துக்கொண்டு மண்பாண்டங்களுக்கு விதிவிலக்கு அளிக்க வேண்டுமென்று கேட்டுக்கொள்கிறேன்.

THE HON. SRI R. VENKATARAMAN : Sir, I was asked to speak in Tamil by my hon. Friend Sri Subbiah Chettiar. If he had been here I would have spoken in Tamil. Mr. Chairman, I have clarified the point raised by him regarding payment of tax on groundnut. Government do not propose to give any rebate on purchase because Government feel that at the point of purchase we have reduced the tax from 2 to 1 per cent. Even by this reduction we will be losing some revenue and it is therefore, not possible to give any further reduction in the rate of tax.

Then, with regard to the second point about hides and skins, I wish to recall to the hon. Member Sri Raza Khan that the Government have been very very sympathetic in their case. We have permitted them to pay the arrears in instalments spread over a period of years. Even if they make a default in such payments we do not immediately proceed against them. We treat their cases sympathetically. Of course, I received lot of representations in the past. But from the fact that the representations have comparatively gone down in number during the last year . . . (Sri (MOHAMED RAZA KHAN : They are tired of representing.) . . it shows that the problem is not so acute. The hon Member said they were tired of making representations. It is not that way. No man ever gets tired of making representations for his own advantage. He would be a superman who would say he is tired of representing and so he would pay. The problem has reduced itself in size by the concessions that we have given, the long period which we have given them to pay in small instalments. Therefore, the Government have done all that is possible under the circumstances.

There are a number of items on which people want reduction of sales tax. This is not the occasion to deal with all of them.

I just want to say one thing more. I would not bring in a Bill in a rush to have it passed without giving sufficient time for the Council to study its implications. But this Bill really seeks to embody all those which are accepted by all sections and to give effect to the decision of the court, in another case, to give effect to the decision of the Committee on Subordinate Legislation, and

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also to give effect to the executive decision that was taken. I did not want to bring in the Chit Funds Bill in the other House, because I do not believe in hasty legislation and also because no real hardship is caused by a slight delay. But, on the other hand, this Bill will benefit a large section of the people and free them from doubts whether they should register themselves or not and whether they should be given exemption or not. So this Bill should be passed quickly. So far as groundnut is concerned, there is no retrospective effect. (Interruption.) All those things will be considered only at the Budget time.

MR. CHAIRMAN : The question is—

"That the Madras General Sales Tax (Amendment) Bill, 1960 (L.A. Bill No. 25 of 1960), as passed by the Legislative Assembly, be taken into consideration."

The motion was put and carried and the Bill was taken into consideration.

Clauses 2 to 14 were put and carried.

Clause 1 and the Preamble were put and carried.

THE HON. SRI R. VENKATARAMAN : Sir, I move—

"That the Madras General Sales Tax (Amendment) Bill, 1960 (L.A. Bill No. 25 of 1960), as passed by the Legislative Assembly, be passed."

MR. CHAIRMAN : The question is—

"That the Madras General Sales Tax (Amendment) Bill, 1960 (L.A. Bill No. 25 of 1960), as passed by the Legislative Assembly, be passed."

The motion was put and carried and the Bill was passed.

MR. CHAIRMAN : The House will now adjourn *sine die.*

The House then adjourned *sine die.*

VI—PAPERS LAID ON THE TABLE OF THE HOUSE.

* BILL PASSED BY THE ASSEMBLY AND RECEIVED THEREFROM IN THE COUNCIL.

1. *The Madras General Sales Tax (Amendment) Bill,* 1960 *(L.A. Bill No.* 25 *of* 1960).

2. *The Madras Public Premises (Eviction of Unauthorized Occupants) Bill,* 1960 *(L.A. Bill No.* 24 *of* 1960).

* Sent by special messenger to all M.L.C. on 9th September 1960.

APPENDIX I.

[Vide item V (1) on page 257 supra.]

[L.A. Bill No. 24 of 1960. (As passed by the Assembly).]

A Bill to provide for the prevention of slums and for the speedy eviction of unauthorized occupants from public premises in the State of Madras.

WHEREAS there are a number of unauthorized occupants in public premises in the State of Madras;

AND WHEREAS the number of such occupants is recently on the increase;

AND WHEREAS such unauthorized occupants are likely to create slums and to cause danger to public health and sanitation;

AND WHEREAS it is expedient to provide for the prevention of slums and for the speedy eviction of unauthorized occupants from public premises in the State of Madras;

BE it enacted in the Eleventh Year of the Republic of India as follows :—

1. *Short title, extent and commencement.*—(1) This Act may be called the Madras Public Premises (Eviction of Unauthorized Occupants) Act, 1960.

(2) It extends to the whole of the State of Madras.

(3) It shall come into force on such date as the Government may, by notification, appoint; and different dates may be appointed for different areas.

2. *Definitions.*—In this Act, unless the context otherwise requires,—

(*a*) " City Improvement Board " means the Board of Trustees for the Improvement of the City of Madras constituted under section 3 of the Madras City Improvement Trust Act, 1950 (Madras Act XXXVII of 1950);

(*b*) " competent authority " means any person or authority authorized by the Government, by notification, to perform the functions of the competent authority under this Act for such area or in relation to such class of public premises as may be specified in the notification;

(*c*) " Government " means the State Government;

(*d*) " local authority " shall have the meaning assigned to it in clause (20) of section 3 of the Madras Public Health Act, 1939 (Madras Act III of 1939), and shall include a panchayat constituted under the Travancore-Cochin Panchayats Act, 1950 (Travancore-Cochin Act II of 1950);

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(*e*) "premises" means any land or any building or hut or part of a building or hut and includes—

(i) gardens, grounds and outhouses, if any, appertaining to such building or hut or part of a building or hut, and

(ii) any fittings affixed to such building or hut or part of a building or hut for the more beneficial enjoyment thereof;

(*f*) "public premises" means—

(i) any premises belonging to, or taken on lease or requisitioned by, or on behalf of, the Government;

(ii) any premises belonging to, or vested in, a local authority;

(iii) any premises belonging to, or vested in, the City Improvement Board;

(*g*) "unauthorized occupation" in relation to any public premises, means the occupation, within a period of six months immediately before the date of the commencement of this Act or at any time after such date, by any person, of the public premises without lawful authority for such occupation.

3. *Eviction of unauthorized occupants.*—(1) If the competent authority, after making such inquiry as it deems fit, is satisfied that any public premises are in unauthorized occupation, it may, for reasons to be recorded in writing, make an order of eviction directing that the public premises shall—

(i) in the case of buildings, within ten days from the date of the proclamation referred to in clause (*b*) of sub-section (2), and

(ii) in other cases, within three days from the date of such proclamation,

be vacated by all persons who may be in occupation thereof or any part thereof.

(2) (*a*) The competent authority shall, before the date of the proclamation referred to in clause (*b*), cause a copy of the order made by it under sub-section (1) to be affixed on the outer door or some other conspicuous part of the public premises.

(*b*) (i) An officer specially authorized by the competent authority in this behalf shall cause the order made under sub-section (1) to be proclaimed by beat of drum or tom-tom in or near the locality concerned and thereupon, such order shall be deemed to have been duly served on all persons concerned.

(ii) The officer specially authorized by the competent authority under sub-clause (i) shall record a certificate stating the date of the proclamation and such certificate shall be conclusive proof of the fact and the date of such proclamation.

4. *Taking possession of public premises in cases of refusal or failure to comply with order of eviction.*—If any person refuses or fails to comply with the order of eviction, the competent authority or any person specially authorized by it in this behalf may evict that person from, and take possession of, the public premises and may, for that purpose, use such force as may be necessary.

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5. *Disposal of property left on the public premises by unauthorized occupants.*—(1) Where any person has been evicted from any public premises under this Act, the competent authority may, after giving seven days' notice to the person from whom possession of the public premises has been taken and after publishing the notice in such manner as may be prescribed, remove or cause to be removed or disposed of by public auction, any property remaining on such premises.

(2) Where any property is sold under sub-section (1), the sale proceeds shall, after deducting the expenses of the sale and the amount, if any, due to the Government or the local authority concerned or the City Improvement Board, as the case may be, on account of damages, be paid to such person or persons as may appear to the competent authority to be entitled to the same:

Provided that where the competent authority is unable to decide as to the person or persons to whom the balance of the amount is payable, or as to the apportionment of the same, it may refer such dispute to the civil court of competent jurisdiction and the decision of the court thereon shall be final.

6. *Appeals.*—(1) An appeal shall lie to the Board of Revenue from every order of the competent authority made in respect of any public premises under sub-section (1) of section 3.

(2) The appeal under sub-section (1) shall be preferred within thirty days from the date of the proclamation referred to in clause (*b*) of sub-section (2) of section 3:

Provided that the Board of Revenue may entertain the appeal after the expiry of the said period of thirty days if it is satisfied that the appellant was prevented by sufficient cause from filing the appeal in time.

(3) (*a*) The Board of Revenue may, for sufficient cause, order stay of the enforcement of the order of the competent authority pending the disposal of the appeal.

(*b*) No order for stay of enforcement shall be made under clause (*a*) unless the Board of Revenue is satisfied that the appellant is entitled to the possession of the public premises.

(4) Every appeal under this section shall be disposed of by the Board of Revenue as expeditiously as possible.

(5) The order of the Board of Revenue on appeal under this section, or the order of the competent authority under sub-section (1) of section 3 where no appeal is preferred under this section to the Board of Revenue within the period specified in sub-section (2) of this section shall, subject to the provisions of section 7, be final.

7. *Right of suit.*—(1) Where there has been an appeal under section 6 and it has been decided by the Board of Revenue or where there has been no appeal to the Board of Revenue and the period for preferring an appeal has expired, any party aggrieved by the final order of the Board of Revenue or the competent authority,

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as the case may be, may, within six months from the date of the order of the Board of Revenue on such appeal or from the date of expiry of the period for preferring the appeal, as the case may be, institute a suit in the civil court against the order of the Board of Revenue or the competent authority, as the case may be, and the civil court may, subject to the provisions of sub-section (2), modify or cancel such order.

(2) No civil court shall grant any permanent or temporary injunction or make any interim order restraining any proceeding taken or about to be taken under this Act.

8. *Power to make rules.*—(1) The Government may make rules for carrying out the purposes of this Act.

(2) In particular and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely :—

(*a*) the making of enquiries under this Act;

(*b*) the procedure to be followed in taking possession of public premises;

(*c*) the manner in which appeals may be preferred and the procedure to be followed in appeals;

(*d*) any other matter which has to be or may be prescribed.

(3) (*a*) All rules made under this Act shall be published in the *Fort St. George Gazette* and, unless they are expressed to come into force on a particular day, shall come into force on the day on which they are so published.

(*b*) All notifications issued under this Act shall, unless they are expressed to come into force on a particular day, come into force on the day on which they are published.

(4) Every rule made or notification issued under this Act shall, as soon as possible, after it is made or issued, be placed on the table of both Houses of the Legislature, and if, before the expiry of the session, in which it is so placed or the next session, both Houses agree in making any modification in any such rule or notification or both Houses agree that the rule or notification should not be made or issued, the rule or notification shall thereafter have effect only in such modified form or be of no effect, as the case may be, so however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule or notification.

9. *Madras Act III of* 1905 *and Travancore-Cochin Act XIX of* 1951 *not to apply to unauthorized occupation as defined in this Act.*—Notwithstanding anything contained in the Madras Land Encroachment Act, 1905 (Madras Act III of 1905), and the Travancore-Cochin Land Conservancy Act, 1951 (Travancore-Cochin Act XIX of 1951), the provisions of those Acts shall, in any

area in which this Act has come into force, cease to have effect in relation to any unauthorized occupation as defined in this Act, except as respects things done or omitted to be done before the date of the commencement of this Act.

10. *Exemptions.*—(1) The Government may, by notification, exempt any public premises or class of public premises or person or class of persons from all or any of the provisions of this Act or of any rules made thereunder, subject to such conditions and restrictions as the Government may impose.

(2) For the removal of doubts it is hereby declared that, where any public premises or class of public premises or person or class of persons are or is exempted from section 9 of this Act, the Madras Land Encroachment Act, 1905 (Madras Act III of 1905), or the Travancore-Cochin Land Conservancy Act, 1951 (Travancore-Cochin Act XIX of 1951), as the case may be, shall have effect in relation to such premises or person or persons with effect from the date of such exemption.

MEMORANDUM REGARDING DELEGATED LEGISLATION.

Clause 5 (1) empowers the Government to prescribe the manner in which the notice referred to in that clause should be published.

Clause 8 empowers the Government to make rules by notification for carrying out the purposes of the Bill when enacted and also in respect of matters specifically enumerated in that clause.

These delegations are necessary to give effect to the provisions of the Bill when enacted and they are of a normal character.

APPENDIX II.

[Vide item V (2) on page 265 supra.]

[L.A. Bill No. 25 of 1960 (as passed by the Assembly).]

A Bill to amend the Madras General Sales Tax Act, 1959.

WHEREAS it is expedient to amend the Madras General Sales Tax Act, 1959 (Madras Act I of 1959), for the purposes hereinafter appearing;

BE it enacted in the Eleventh Year of the Republic of India as follows :—

1. *Short title and commencement.*—(1) This Act may be called the Madras General Sales Tax (Amendment) Act, 1960.

(2) Sections 3 and 4 shall be deemed to have come into force on the 1st April 1959.

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2. *Amendment of section* 2, *Madras Act I of* 1959.—In section 2 of the Madras General Sales Tax Act, 1959 (Madras Act I of 1959) (hereinafter referred to as the principal Act),—

(*a*) in clause (*n*), the words "and includes a transfer of property in goods involved in the execution of a works contract", shall be omitted;

(*b*) in clause (*r*), in Explanation (2), clause (i) shall be omitted; and

(*c*) clause (*s*) shall be omitted.

3. *Amendment of section* 3, *Madras Act I of* 1959.—In sub-section (3) of section 3 of the principal Act, for the words "manufacture for sale inside the State", the words "manufacture inside the State for sale" shall be substituted.

4. *Amendment of section* 20, *Madras Act I of* 1959.—In section 20 of the principal Act, after sub-section (2), the following sub-sections shall be inserted, namely:—

"(2A) The Government may, from time to time, by notification—

(i) exempt from the operation of sub-section (1) or sub-section (2) any specified class of dealers or dealers in any specified goods or class of goods;

(ii) enhance the total turnover limit specified in sub-section (1) for the registration of any specified class of dealers or dealers in any specified goods or class of goods.

(2B) Any exemption under clause (i) and any enhancement of the total turnover limit under clause (ii) of sub-section (2A)—

(i) may extend to the whole State or to any specified area or areas therein;

(ii) may be subject to such restrictions and conditions as may be specified in the notification.

(2C) The Government may, by notification, cancel or vary any notification issued under sub-section (2A).".

5. *Insertion of new section* 21-*A in Madras Act I of* 1959.—After section 21 of the principal Act, the following section shall be inserted, namely:—

"21-A. *Issue of permit.*—(1) Every registered dealer who transacts business at places other than his registered place or places of business or employs a travelling salesman or representative to transact business as aforesaid shall obtain a permit issued under this Act authorizing himself or, as the case may be, the travelling salesman or representative so to do.

(2) The entire turnover of business carried on under the permit shall be included and accounted for by the registered dealer in his accounts and returns and shall be dealt with as if it were the turnover of business done by the registered dealer himself at the registered place of business.

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(3) Every permit holder shall carry the permit on his person and shall produce it on demand by any officer of the Commercial Taxes Department empowered by the Government in this behalf. He shall maintain and produce on demand to any such officer a true and correct account of all the transactions carried on under the permit and also a stock book showing the quantities of goods entrusted to him by the registered dealer, the quantities disposed of from day to day by sale or otherwise and the balance on hand at the end of each day.

(4) An application for permit referred to in sub-section (1) shall be made to such authority, in such manner and within such period as may be prescribed and shall be accompanied by such fee not exceeding ten rupees as may be prescribed.

Explanation.—A separate application with a separate fee shall be necessary for the registered dealer and for each travelling salesman or representative employed by him.

(5) If the prescribed authority is satisfied that the application is in order, it shall issue the permit in the prescribed form.

(6) A permit issued under sub-section (5) shall be valid for a year and shall be renewed from year to year on receipt of an application from the registered dealer accompanied by such fee not exceeding ten rupees as may be prescribed.

(7) The prescribed authority shall cancel a permit—

(*a*) on requisition made in writing by the registered dealer, and

(*b*) on the cancellation of the certificate of registration.

(8) The prescribed authority may cancel a permit if the permit holder has contravened any of the terms or conditions of the permit or any of the provisions of this Act or the rules made thereunder.

(9) No permit shall be cancelled under clause (*b*) of sub-section (7) or sub-section (8) unless the permit holder concerned has been given a reasonable opportunity of being heard."

6. *Amendment of section* 40, *Madras Act I of* 1959.—In section 40 of the principal Act, for the words " shall keep and maintain a true and correct account ", the words " shall keep and maintain a true and correct account and such other record as may be prescribed" shall be substituted.

7. *Amendment of section* 41, *Madras Act I of* 1959.—In section 41 of the principal Act—

(1) in sub-sections (1), (2) and (4), for the words " registers and other documents ", wherever they occur, the words " registers, records and other documents " shall be substituted;

(2) in sub-section (3), for the words " registers or other documents ", the words " registers, records or other documents " and for the words " registers and documents " wherever they occur, the words " registers, records and documents " shall be substituted.

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8. *Amendment of section 42, Madras Act I of 1959.*—In sub-section (3) of section 42 of the principal Act, for the words "and are not covered by a delivery note, a Goods Vehicle Record, a Trip Sheet, or a Log Book, as the case may be, or by a bill of sale where one is required to be issued", the following shall be substituted, namely :—

"and are not covered by,

(i) a bill of sale or delivery note,

(ii) a Goods Vehicle Record, a Trip Sheet or a Log Book, as the case may be, and

(iii) such other documents as may be prescribed under sections 43 and 44".

9. *Substitution of new section for section 43, Madras Act I of 1959.*—For section 43 of the principal Act, the following section shall be substituted, namely :—

"43. *Possession and submission of certain records by owners, etc., of boats.*—The owner or other person in charge of a boat shall carry with him—

(i) Bill of sale or delivery note,

(ii) Log Book, and

(iii) such other documents as may be prescribed,

relating to the goods under transport and containing such particulars as may be prescribed and shall submit to the Commercial Tax Officer, having jurisdiction over the area in which the goods are delivered, the documents aforesaid or copies thereof within such time as may be prescribed".

10. *Substitution of new section for section 44, Madras Act I of 1959.*—For section 44 of the principal Act, the following section shall be substituted, namely :—

"44. *Possession and submission of certain records by owners, etc., of goods vehicles.*—The owner or other person in charge of a goods vehicle shall carry with him—

(i) Bill of sale or delivery note,

(ii) Goods Vehicle Record or Trip Sheet, and

(iii) such other documents as may be prescribed,

relating to the goods under transport and containing such particulars as may be prescribed and shall submit to the Commercial Tax Officer, having jurisdiction over the area in which the goods are delivered, the documents aforesaid or copies thereof within such time as may be prescribed".

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11. *Amendment of section 45, Madras Act I of 1959.*—In sub-section (1) of section 45 of the principal Act, clause (*c*) shall be relettered as clause (*d*), and before the clause as so relettered, the following clause shall be inserted, namely :—

" (*c*) being a person obliged to take out a permit under this Act, does not take out such permit, or ".

12. *Amendment of section 57, Madras Act I of 1959.*—In section 57 of the principal Act—

(1) in sub-section (1), for the words " accounts or documents ", the words " accounts, registers, records or documents " shall be substituted;

(2) in clause (i) of sub-section (2), after the word " accounts," the words " registers, records," shall be inserted.

13. *Amendment of the First Schedule, Madras Act I of 1959.*—In the First Schedule to the principal Act,—

(1) for item 23 and the entries relating thereto, the following item and entries shall be substituted, namely :—

" 23. Machinery (other than those falling under item 41) including any article, implement, contrivance, apparatus or part of such machinery made of any metal (not being a typewriter, tabulating machine, calculating machine and duplicating machine and parts thereof), hardware, iron and steel (other than those mentioned under declared goods) and all articles made therefrom (excluding articles used for agricultural purposes and all items specifically provided in the Schedule).	**Do.**	**3 ";**

(2) for item 24 and the entries relating thereto, the following item and entries shall be substituted, namely :—

" 24. Milk foods (excluding milk but including milk powder).	**Do.**	**3." ;**

(3) for item 59 and the entries relating thereto, the following item and entries shall be substituted, namely :—

" 59. Wattle bark, Avaram bark, Konnam bark, Wattle extract, Quobracho and Chestnut extract.	**At the point of last purchase in the State.**	**1."**

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"14 *Amendment of the Second Schedule, Madras Act I of 1959*.—In the Second Schedule to the principal Act, for item 6 and the entries relating thereto, the following item and entries shall be substituted, namely :—

6 (*a*) Oil-seeds, other than cardamom and groundnut, that is to say, seeds yielding non-volatile oils used for human consumption or in industry or in the manufacture of varnishes, soaps and the like or in lubrication and volatile oils used chiefly in medicines, perfumes, cosmetics and the like.	Do.	2
(*b*) Cardamom	At the point of first purchase in the State.	2
(*c*) Groundnut	Do.	1"

I certify that this is a Money Bill.

FORT ST. GEORGE,
9th September 1960.

U. KRISHNA RAU,
Speaker, Madras Legislative Assembly.

MEMORANDUM REGARDING DELEGATED LEGISLATION.

Clauses 5, 6, 9 and 10 of the Bill empower the Government to prescribe the manner and method of giving effect to certain provisions of the Bill, when enacted, by making suitable rules thereunder. The powers delegated are normal and not of an exceptional character.


தமிழ்நாடு சட்டமன்றப் பேரவை
TAMIL NADU LEGISLATIVE ASSEMBLY
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